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Russian Foreign Minister Notes Similarities Outlined in Bush Speech

Commenting on President Bush's speech to the UN General Assembly, Russian Foreign Minister Kozyrev stated that "the active position of G. Bush coincides in many ways with the instructions I brought with me to the United Nations," according to ITAR-TASS. "There are many similarities," Kozyrev said, "in the positions taken by the United States and Russia." This similarity, according to Kozyrev, "brings us together.... Nobody is talking about isolationism now." Concerning "America's thoughts on leadership in the international arena," Kozyrev said that "we also have such thoughts...but today these thoughts are different. There is talk about pooling efforts and partnership in the United Nations rather than 'pax-Americana' and being dominant. This is a very important point."

Gaydar Delivers Social, Economic Report at Opening of Supreme Soviet

Acting Prime Minister Yegor Gaydar delivered a report on the social and economic situation in the country at the opening of the fifth session of the Russian Supreme Soviet in Moscow today. ITAR-TASS reports that Gaydar announced that "the Central Bank of Russia has suspended credits to Ukraine until the governments of the two states reach an agreement on mutual payments for goods supplies." Asked about the government's tougher credit policy, he said: "This will primarily mean the reduction of rates of the monetary mass growth in comparison with the maximum high level that shaped up in July-August, 1992, and, thus, the reduction of monthly volumes of the state budget deficit." Asked whether the government expects an "inflation outburst from the possible discharge of privatization vouchers into the market," Gaydar said "this process is, unfortunately, inevitable." He also cited a series of economic statistics, including a 16.6% decline in Russian industrial production during the first eight months of the year, a budget deficit of 800 billion rubles "by September," an expected grain harvest of 96 million tonnes, price hikes "by a factor of 15.6 between August 1, 1991, and August 1, 1992," and wage increases of "a little more than 10 times over during the same period."

Shevardnadze Threatens Resignation if October Elections Disrupted

Addressing the Georgian nation, State Council Chairman Shevardnadze warned that if parliamentary elections scheduled for 11 October are not held, "chaos followed by a military dictatorship will engulf the country," according to INTERFAX. If this were to occur, Shevardnadze said that he would "have to resign."

Russian Commander Orders Troop Pullout From Essential Tajik Facilities

Russian troops that had been ordered by Acting Tajik President Iskandarov to protect "essential economic facilities in Tajikistan" have begun to withdraw from guard posts, reports INTERFAX. Major General Mehriddin Ashurov, commander of the 201st infantry division and senior representative of the Russian troops in Tajikistan, claimed that "Russian troops were left face to face with unlawful armed groups without any support. 'I have no right to expose my men to bullets.'" He noted that "at the Chormagzak pass the military 'had for three days been virtually hostages, surrounded by armed groups of 400-500 gunmen on each side'" and that "local authorities turned a deaf ear to his requests for food supplies for the troops." The "sole remaining Russian post is that at the Nurek water reservoir. 'There I will fight to the last cartridge', the General said."

Former Republics Say No Plans for Confederation

OW2109180592 Moscow INTERFAX in English 1638 GMT 21 Sep 92

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"—following item transmitted via KYODO]

[Text] President Nazarbayev of Kazakhstan in an interview with IF [INTERFAX] has rejected attempts to interpret his call to establish new coordinating structures within the Commonwealth of Independent States as being little short of resuscitating the idea of a confederation by the former Soviet republics.

He denied ever making such a call adding that he wanted a sort of alliance to give a new lease of life to the Commonwealth. Pointing to the economic package of his recent proposals in particular, Nazarbayev said the coordinating economic council was designed "to monitor the implementation of economic agreements both between the states and enterprises".

IF [INTERFAX] Note: The Ukrainian leader, Leonid Kravchuk, at a news conference in Kiev on August 18, made a rebuke about attempts being made to create a confederation along the lines of last year's blueprint Union treaty at Novo-Ogarevo.

"With the process of integration going on worldwide, I do not see why we should stay aside", said the Kazakh leader. He said that without trying to set up a new Soviet Union, rouble area countries which were bound by closer economic and political agreements could form a closer alliance, but there was no need for other CIS members to enter it. However, relations between the two groups would be different then, Nazarbayev warned.

He called for more substance in the agenda of the Bishkek summit which was postponed precisely to help prepare documents on issues such as an inter-state banking union, economic council and CIS charter. He said Kazakhstan's proposals dominated the agenda of his talks with President Yeltsin in Moscow. Nazarbayev made it clear that the Russian leadership's response was on the whole positive.

This is also indirectly confirmed by a statement from the Russian foreign minister, Andrey Kozyrev, that he made at a CIS foreign ministers' meeting in Minsk. The minister spoke of having an impression that the Bishkek summit would mark a new step towards a new form of union from the formula of "a civilised divorce by the former Soviet republics to that of an alliance based on an entirely new footing". Kozyrev said that the question was one of creating new coordinating structures rather than reviving the old centre.

Many say that overall, Nazarbayev's proposals prompted a mixed response from other CIS leaders.

Meanwhile, Kyrgyzstan's permanent represenative on the working group under the council of heads of state and government, Sagynbek Dordoyev [name as received], told IF about his unequivocal support to Nazarbayev's package. However, he named other issues as being just as important, among them—settling the situation along CIS external borders, and the creation of an inter-state TV and radio broadcasting company. Dordoyev said that although the council had adopted almost 200 agreements, none of them were workable. He described the forthcoming summit as decisive in forming a coherent mechanism of coordination.

Observers in Minsk believe Belarus may well be inclined to help implement Nazarbayev's concept unless the Commonwealth turns into a confederation. The leader of the Belarusian parliament, Stanislav Shushkevich, speaking in Bonn said that "the confederation was hardly viable" adding that he had no authority to sign cooperation agreements closer than provided by the CIS framework. However, the Belarusian leader said his country would stay put in the rouble area (a point which brings Nazarbayev and Shushkevich together as close as possible—IF).

A number of CIS leaders said they would like to discuss those issues in Bishkek.

President Mircea Snegur of Moldova is confident about his country's support to the establishment of reliable economic and political contacts with all former Soviet republics. In an interview with Dutch television in Chisinau on Sunday, he said he would throw his weight behind "the nation's wish" at the Bishkek summit.

For his part, Tajikistan's acting president, Akbar Iskandarov, reaffirmed his republic's commitment to obligations under CIS agreements.

By contrast, the Turkmenian leader, Saparmurad Niyazov, is opposed to the creation of supranational structures within the Commonwealth. His press officials said that although "Turkmenistan will honour earlier agreements and its policy of open door and positive neutrality, it wants to see what exactly will be offered for discussion in Bishkek". They said that if any one, including Kazakhstan, attempted to resuscitate the old structures playing the role of central controlling bodies, Turkmenistan would not sign such a document. Confidential sources say that Niyazov was also critical of the idea of a single information entity blaming the mass media for "inadequate coverage of positive changes in his republic and scant attention to Turkmenistan's initiataives within the Commonwealth. [no close quotation marks as received]

Azerbaijan's position is specific. On Nazarbayev's initiatives, an Azeri government aide, Vafa Gulizade, said his republic's relationship with the CIS was a matter of tactics not strategy. In his words, "if Azerbaijan finds it advantageous to join the CIS for tactical reasons at this stage, it will do so. If not, it will opt for bilateral contacts with each republic". Gulizade believes that contacts within the CIS are being carried out mainly on a bilateral basis. And he added that President Elchibey preferred this kind of cooperation with Russia and other former Soviet republics. However, Gulizade said that the last say rested with the parliament to which the president was accountable.

For his own part, the press secretary of the Armenian president warned that Armenia might reconsider its membership of the Commonwealth if Azerbaijan tried to join it in its present status of an aggressor. On the other hand, the leader of the Armenian parliament, Babken Ararktsyan, sees no reason for such a radical response to what is a hypothetical step by Azerbaijan. He does not believe that the possibility of Azerbaijan's membership of the CIS must be seen from the negative angle alone.

Leaders Comment on Plans for Commonwealth

OW2109181892 Moscow INTERFAX in English 1725 GMT 21 Sep 92

["What Sort of Commonwealth of Independent States Should There Be? Opinions of the Leaders of the Republics From the Former Soviet Union"—INTERFAX headline; following item transmitted via KYODO]

[Text] President of Kazakhstan Nursultan Nazarbayev spoke during a recent speech in favor of closer political, economic and military cooperation within the Commonwealth, strengthening the role of the CIS Interparliamentary Assembly, the creation of an interbanking union, an economic council and a business court with broad powers and the preservation of a "ruble zone." The mass media interpreted these proposals as a call to create a confederation on the basis of the CIS.

KAZAKHSTAN:

Kazakh President Nursultan Nazarbayev, answering a question by an INTERFAX correspondent regarding his proposals made on the threshold of the meeting of CIS leaders in Bishkek, explained that he never made any call to create a new confederation.

"I do not aspire to create a new USSR and do not call for the creation of a confederation of former CIS member-states," said Nazarbayev in an interview Monday [21 September] before leaving Moscow for Germany.

"We're not talking about that. Basically all over the world a process of integration is going on, why should we be left on the sidelines," the Kazakh president stressed. He remarked that Commonwealth members should be allies, "so that the CIS could breathe normally."

The president expressed the opinion that "those CIS member-states which enter the ruble zone and support closer economic and political agreements may create a closer union, and the rest of the former CIS members may not join, but then relations among those groupings will be different."

BELARUS:

Belarusian Chairman of the Supreme Soviet Stanislav Shushkevich stated at a press conference in Minsk on Monday that the proposals by Kazakh President Nursultan Nazarbayev on a closer integration within the Commonwealth of Independent States "was not unexpected by any head of a Commonwealth state."

Along with this, Shushkevich called the statement by the mass media on the Kazakh president's initiatives propaganda, and the initiatives themselves "incantations like the commandments by the builders of communism."

Earlier, speaking in Bonn at a press conference during a visit to Germany, Shushkevich expressed the opinion that "now a confederation would hardly be possible." He was confident of the necessity of reaching "purely legal relations on the basis of already signed documents, but nothing further." Shushkevich added that he "did not have the power from parliament to sign documents on relations which would establish closer ties than those within the framework of the Commonwealth."

ARMENIA:

Armenian President Levon Ter-Petrosyan said in an exclusive interview with INTERFAX that "we are for integration and for cooperation, but we will not take one step which would contradict Armenia's declaration of independence."

"The meeting in Bishkek," the president said, "should help to reveal new mechanisms for cooperation," but regarding President Nazarbayev's initiatives, "we still have not received the official text of these proposals, and I am not prepared to evaluate these initiatives." Upon receiving the documents, the Armenian leader said, "we will study them carefully and express our relation to them."

In addition to this, Ter-Petrosyan was confident that "the processes of disintegration and breakdown should give way to constructive cooperation." In his words, "it is necessary as soon as possible to move from the euphoria which came from regaining independence to pragmatism and sober accounting." This, in the president's opinion, "assumes the resurrection of broken down, but very necessary economic ties."

"Until now useful documents have been signed within the framework of the CIS, but the lack of detailed mechanisms to realize them discredits not only these documents, but the very idea of the Commonwealth," the Armenian president emphasized.

AZERBAIJAN:

State adviser to Azerbaijan on foreign policy Vafa Gulizade said in an interview with INTERFAX that President Nazarbayev's proposals "demand serious study."

In addition to this, the adviser stressed that "for Azerbaijan, relations with the CIS are not a question of strategy, but of tactics." According to Gulizade, "if it is profitable for Azerbaijan in a tactical plan at this stage in time to join the CIS, Azerbaijan could do so. If it is not so profitable, then we are in favor of having bilateral relations with each republic."

Gulizade remarked that President Abulfaz Elchibey is a supporter of bilateral ties with Russia as with the other republics of the former Soviet Union. But, the adviser said, "we are starting to live in a democratic society, and therefore, if parliament decides otherwise, even the president will be subject to this decision."

KYRGYZSTAN:

Kyrgyzstan is entirely in support of the initiatives expressed by Kazakh President Nursultan Nazarbayev about the up-coming meeting of heads of the CIS member-states in Bishkek October 9th, said Sagynbek Dordoyev [name as received], Kyrgyzstan's permanent representative to the working group to the Council of CIS heads of state and governments in Minsk in an interview with INTERFAX.

He noted that throughout the existence of the Council of CIS heads of state and governments, about 200 agreements had been approved which do not actually work. Presently, Dordoyev thinks, an understanding has been reached on the necessity of passing cardinal decisions which already have a concrete mechanism of realization. In his opinion, it is most important to create a coordinated economic council, an interstate TV and radio company and to maintain the CIS' foreign borders.

(INTERFAX is planning to continue publishing comments on this topic as they are made.)

Kozyrev, CIS Delegations Meet at UN Session

LD2209033992 Moscow ITAR-TASS World Service in Russian 0159 GMT 22 Sep 92

[By ITAR-TASS special correspondent]

[Text] United Nations, 22 Sep—The heads of the delegations representing the CIS and Georgia at the 47th UN General Assembly session met on 21 September at Russia's permanent mission at the United Nations.

Commenting on the results of the meeting, A.V. Kozyrev, Russian Federation minister of foreign affairs, told an ITAR-TASS special correspondent that the very fact that such a meeting took place is very reassuring. I recall how difficult it used to be to organize such meetings during the final year of existence of the Soviet Union. This time we had no problems in agreeing to meet. This indicates that the leaders of the CIS states are giving great attention to developing cooperation.

The conversation was conducted in a somewhat new way. It was rich in content. There were none of the assurances of friendship or embraces typical of the past, but at the same time none of the sides showed a cautious attitude. The new independent states demonstrated patience, a readiness to respect each other, and a high level of mutual trust.

On the whole the conversation was very interesting, the minister continued. Many issues were raised, and the parties were prepared to discuss them. For example, one of them was the Nagorno-Karabakh issue. Despite the complexity of issues, the sides showed keen interest in the discussion, which passed calmly. It is characteristic that the sides were prepared to discuss not only CIS problems but also other international issues, in particular that of Yugoslavia.

Taking part in the meeting were Azerbaijani Foreign Minister T. Gasymov; Armenian President L. Ter-Petrosyan; Belarusian Foreign Minister P. Kravchenko; A. Arystanbekov, Kazakhstan's permanent representative at the United Nations; Dz. Atabekov, Kyrgyzstan's permanent representative at the United Nations; T. Pantiru, Moldova's permanent representative at the United Nations; Russian Foreign Minister A.V. Kozyrev; B. Shikhmuradov, first deputy foreign minister of Turkmenistan; Ukrainian Foreign Minister A. Zlenko; and T. Dzhaparidze, first deputy foreign minister of Georgia.

Nazarbayev Continues Karabakh Peace Mission

PM2209103592 Moscow IZVESTIYA in Russian 18 Sep 92 Morning Edition p 1

[Report by Aleksandra Lugovskaya: "Nursultan Nazarbayev's Peace Mission Continues"]

[Text] Kazakh President N. Nazarbayev spoke to the Armenian and Azerbaijani presidents 16 September by telephone proposing a summit meeting. Although L. Ter-Petrosyan and A. Elchibey agreed in principle, they each nevertheless set their own conditions for such a meeting.

David Shakhnazaryan, the Armenian president's personal representative, who led the Armenian delegation at the 14-15 September talks, does not think that there is any chance of the Alma-Ata process continuing. He gave one of the main reasons as being the lack of a mechanism to monitor the accords reached.

There are many indications that the Kazakh president's peace initiative may "go to pieces": According to D. Shakhnazaryan, the Azerbaijani president is demanding that Armenian troops be withdrawn from Nagorno-Karabakh as a condition for the meeting's going ahead, whereas the Armenian president says that there are no Armenian troops in Nagorno-Karabakh and is insisting that Azerbaijan meet the appeal from the CSCE Minsk Group for a full cease-fire throughout the region with no preliminary conditions.

It emerged during the second meeting in Alma-Ata that the Armenian and Azerbaijani sides have a different interpretation of the memorandum that the three states' foreign ministers adopted here 27 August regarding the cessation of hostilities on the Armenian-Azerbaijani border as of 1 September. While Armenia considers the memorandum to be in force, Azerbaijan said that the provisions of the memorandum do not constitute a pledge, but a protocol of intent.

This mutually exclusive approach to questions of key significance to both republics prevented discussion of the draft declaration which might, it was thought, be adopted at the coming meeting of the heads of the three states. The Armenian side indicated that this meeting can only go ahead once Azerbaijan has responded positively to the CSCE Minsk Group's appeal for a cease-fire in the region and given guarantees that this will actually be implemented. Armenia itself did this at the end of August.

Nonetheless Nursultan Nazarbayev intends to continue his peacemaking efforts. The prestigious statesman is not accustomed to "losing heart" and hopes to secure personal contacts between the presidents.

ITAR-TASS Carries Press Review for 22 Sep

LD2209055192 Moscow ITAR-TASS in English 0434 GMT 22 Sep 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow September 22 TASS—The SOVETSKAYA ROSSIYA newspaper published a political declaration of the left-wing and right-wing opposition. Representatives of different poitical parties and movements, people's deputies of Russia and the former Soviet Union, public and political leaders put their signatures to the document, since they are concerned about the situation in the country, which, as they say, "is on the verge of political and economic collapse."

They believe urgent political decisions should be adopted to take the country out of the crisis. They declare that "the opposition forces have united for the sake of state and national salvation." The main task of the opposition is to ensure a nation-wide, representative and constitutional way of expressing the will of the country's citizens concerning its socio-political system, principles of interethnic relations, the legal status of an individual and the state.

The newspaper published an article by a prominent economist, and Russian MP Tatyana Koryagina, who comments on the fate of the country and the hardships it is going through.

According to Koryagina, "the liberalisation of prices conducted by administrative means, is one of the stages in the chain of anti- Russian, anti-popular policy which fully revealed the essence of the present-day authority."

The NEZAVISIMAYA GAZETA carries a report about a "scandalous incident" connected with a resolution of the Russian parliament to grant 8 billion roubles with 8 per cent interest rate annually and 1 billion roubles gratis to the "Agrotes" joint stock society to build housing, industrial and social facilities for officers in reserve who left military service and became farmers.

The newspaper carries an interview with the Russian Minister for Foreign Economic Relations Pyotr Aven who described the main directions of the government's foreign economic policy and basic principles of relations with the International Monetary Fund.

Aven believes Russia should solely assume the responsibility for foreign economic commitments of the former Soviet Union.

"Raising oil prices is as inevitable as the change of seasons," Vice-Premier of the Russian Government Viktor Chernomyrdin said in an interview with the KOMSOMOLSKAYA PRAVDA newspaper. However, he noted that "free prices will not be introduced in the near future. It may happen at the end of 1993, if the situation in the country's economy allows to do so."

The PRAVDA newspaper comments on the establishment and the development of the CIS Parliamentary Assembly, recently held in the Kyrgyz capital Bishkek. The newspaper points out that the idea of establishing cooperation between parlimentarians of the Commonwealth countries has long been ripe. The last meeting of people's deputies of the six states contributed to the streamlining of relations between Commonwealth member-states.

The KRASNAYA ZVEZDA newspaper carries an article by Colonel-General Igor Rodionov, chief of the Russian military academy of general headquarters, who describes his idea of what military- technical policy is needed in Russia.

Rodionov comments on the past and the present of the Russian Army. He believes the scientific research in the sphere of military construction should be channelled into a new direction according to Rodionov, the priority task is to liquidate the production of outdated weapons and step up the development of persepective models by increasing the allocations to scientific research and experiment and design works. [sentence as received]

Commenting on the last decisions of the Presidium of the Federation of Russian Independent Trade Unions (FITU) Council, the TRUD newspaper writes it seems that a dialogue of the trade unions with the Russian Government will be conducted in the streets.

The FITU coordinative committee for collective actions appealed to all trade union members to hold manifestations in the streets and squares of Russian cities on October 24 to demand a correction of the present course of economic reforms in the interests of the working people.

The Presidium of the FITU council said that the trade unions had established contacts with opposition blocs of the parliament to make joint efforts to convene a congress of Russian people's deputies.

Foreign Minister Kozyrev Heads UN Delegation

Views Bush's Speech, 'Similarities'

LD2209065992 Moscow ITAR-TASS World Service in Russian 0201 GMT 22 Sep 92

[By ITAR-TASS special correspondent]

[Text] United Nations, 22 Sep—My conversation with U.S. President G. Bush after his UN speech was brief. He asked me to convey his best wishes to Russian President B.N. Yeltsin and asked me how things are in Moscow. This was reported on 21 September by Russian Federation Foreign Minister A.V. Kozyrev, who is heading the Russian delegation at the 47th session of the General Assembly, in a conversation with a special ITAR-TASS correspondent. I told him that I had had a telephone conversation with the Russian president in the morning and that Russia has firm intentions with regard to cooperation with the United States. We have yet to hold thorough talks with the United States on many issues.

I was impressed by the fact that there was no deviation from the international theme in G. Bush's speech at the session, the head of the Russian delegation continued. It seems to me that this brings us together. We have some internal problems and we are guided by our own interests. The United States is the same. One can see a profound awareness that there is no division between domestic and foreign policy. The active position of G. Bush coincides in many ways with the instructions I brought with me to the United Nations, A.V. Kozyrev continued. There are many similarities in the positions taken by the United States and Russia. We are also in favor of extinguishing conflicts and strengthening the peacemaking potential of the United Nations. We are prepared to allow our military capabilities be used by the peacekeeping forces. Naturally, this concerns international economic problems.

In general, one feels that there is an obvious similarity in our approaches, and I told this to President G. Bush. Nobody is talking about isolationism now. Also of interest are America's thoughts on leadership in the international arena. It is characteristic that we also have such thoughts. But today these thoughts are different. There is talk about pooling efforts and partnership in the United Nations rather than "pax-Americana" and being dominant. This is a very important point.

Supports FRY Leader's Peace Plans

LD2209050192 Moscow ITAR-TASS World Service in Russian 0259 GMT 22 Sep 92

[By ITAR-TASS special correspondents Igor Ignatyev and Yevgeniy Menkes]

[Excerpt] United Nations, 22 Sep—A meeting of the five permanent members of the UN Security Council at the level of ministers, held in New York at the Russian Federation's permanent mission at the United Nations, ended last night [21 September]. FRY Prime Minister Milan Panic delivered a speech at the meeting, which was initiated by Russia.

"Prime Minister M. Panic has informed us about what he has managed to achieve so far and his plans for the future," Russian Foreign Minister A.V. Kozyrev told journalists after the meeting. "The prime minister has some ideas about how to restore peace in this war-torn region. We are supporting these plans and waiting for the proposals to be officially put forward. I think they will be a very important signal for peace in Yugoslavia. Of course, we would have liked for more to have been done and for the bloodshed to have been stopped. We have yet to achieve this, but the door to peace has already been opened." [passage omitted]

Discusses Mutual Affairs With Panic

LD2109201392 Moscow ITAR-TASS in English 1949 GMT 21 Sep 92

[ITAR-TASS]

[Text] United Nations September 21 TASS—Russian Foreign Minister Andrey Kozyrev had a brief meeting today with the Yugoslavian Prime Minister Milan Panic. The ministers exchanged views on questions of mutual interests, in particular, concerning coordination of actions in the UN.

Views Cooperation With Spanish Counterpart

LD2109211492 Moscow ITAR-TASS in English 1618 GMT 21 Sep 92

[By ITAR-TASS correspondent]

[Text] United Nations September 21 TASS—Russian Foreign Minister Andrey Kozyrev had a meeting with his Spanish counterpart Javier Solana Madariaga in New York on Monday [21 September].

The ministers discussed the state of bilateral cooperation and prospects of its development. In this connection Spanish minister of industry, transport and tourism is to pay a visit to Moscow and Russian ministers of defence and agriculture will visit Spain.

Andrey Kozyrev and Javier Solana stated the coincidence of their stances on many international problems. Both sides paid special attention to the Yugoslavian crisis. The ministers spoke out in favour of futher strengthening the role and increasing the effectiveness of the United Nations Organization.

Russia supports the nomination of Spain to the U.N. Security Council for 1993-1994.

Japan Protests Moscow's Reason for Canceling Trip

LD2209082992 Moscow Radio Moscow World Service in English 0700 GMT 22 Sep 92

[Text] The Japanese Government has made a representation to Russia's ambassador in Tokyo in view of the fact that Moscow is putting the responsibility for the cancellation of Boris Yeltsin's visit to Japan on the Japanese side. It is said in the protest that a number of such statements were made recently by President Yeltsin's press secretary, Vyacheslav Kostikov, who explained that the visit had been put off because of Japan's too categoric stand on the return to it of four South Kuril islands.

Supreme Soviet's Ambartsumov on Japan Visit

MK1909091992 Moscow MOSKOVSKIYE NOVOSTI in Russian No 38, 20 Sep 92 (Signed to press 15 Sep 92) pp 6-7

[Interview with Yevgeniy Ambartsumov, chairman of the parliamentary committee for international affairs and foreign economic relations, by Lyudmila Telen under general headline "Russia and Japan Did Not Give Up Their Principles": "'I Get the Impression That the President Feels Relieved'"]

[Text] [MOSKOVSKIYE NOVOSTI] The postponement of the visit to Japan has given rise to many opinions. Some people are saying: This is a shameful diplomatic mess as a result of the usual amateurishness of the Russian leaders. Others are claiming: This is the first, but not the last, victory for the national-patriots. What is your viewpoint?

[Ambartsumov] Of course, there is an element of diplomatic tactlessness here. The decision to cancel the visit should not have been left to the last minute, thus putting the Japanese in an extremely unpleasant position. After all, the visit could have been canceled earlier, as I in fact suggested, without making this action provocative. Not everything was in order in the preparation of the visit. I have the impression that Foreign Ministry senior officials were too forceful and caused this to become an issue of the unconditional handing over of the islands—and indeed all four of them, although the Soviet Union had only committed itself to hand over two of them in the 1956 Declaration.

But I am convinced that there was no capitulation to the conservatives. On the contrary, I have the impression that the president is feeling relieved. Capitulation would have been the unconditional surrender of the islands despite the opinion of the citizens of Russia.

[MOSKOVSKIYE NOVOSTI] But in the wake of the canceled visit many people are predicting a shift to the right in foreign policy, irrespective moreover of the true factors of the refusal. It was the first time that the president followed the advice of the national-patriots, and this may lend them strength for further attacks.

[Ambartsumov] I do not think that there is anything bad in the fact that the president's position has coincided with the position of the national-patriots on a particular issue. This will only serve the cause of civil peace in the country. Incidentally, the national-patriots' viewpoint on the issue of the islands has coincided with the opinion of some democrats.

[MOSKOVSKIYE NOVOSTI] Will the Russian demarche not lead to a cooling of our relations with the rest of the world? It appears that we have once again demonstrated that dealing with us is not easy.

[Ambartsumov] The West is pragmatic and can respect a strong, noncapitulatory stance. Furthermore, it seems to me that the West's reaction to what happened contained an element of exultation vis-a-vis Japan, which in the West's opinion is being too stingy in its participation in aid programs for the Russian economy.

As for Japan itself, it appears that its most important politicians have finally started showing wisdom and will stop blocking aid programs. I hope that this unpleasant episode will not prevent us from establishing good-neighborly Russian-Japanese relations, which will inevitably be done.

[MOSKOVSKIYE NOVOSTI] Certain democratic deputies are saying that you succumbed to the prevailing state of affairs, to the fashionable and politically advantageous orientation toward great-power status.

[Ambartsumov] I would not say that my stance has changed a great deal. If you remember, I published a skeptical—even blunt—article on the subject of the dissolution of the USSR in MOSKOVSKIYE NOVOSTI. I note that in his recent "European" speech in London, Major himself explained the problems in European integration by saying that there are three factors which are insufficiently taken into account: national interests, national identity, and national pride. Listening to this speech, I perceived it as a kind of confirmation of the correctness of my stance.

[MOSKOVSKIYE NOVOSTI] But what about your recent speech opposing the inviolability of the internal borders of the former USSR and Yugoslavia, for which you were sharply criticized by the democratic press? Do you really yearn for the Russian empire?

[Ambartsumov] I do not believe that the present borders of the Russian Federation, with which Russia has been driven into the 17th century, are a legacy of the Union, where they were of a strictly administrative nature, and were something unshakable.

[MOSKOVSKIYE NOVOSTI] You have criticized the Foreign Ministry quite sharply not just in connection with Japan but also in connection with Yugoslavia. However, your assessments have recently softened noticeably. And now you were included in the official presidential delegation for the visit to Japan, which, admittedly, did not take place. Do you no longer have any differences of opinion with Minister Kozyrev?

[Ambartsumov] Far from it. But I considered it impossible for me to bring these differences of opinion out into the open.

Admittedly, every now and then I put pressure on the minister, particularly when I advised him to argue Russia's specific stance in the Yugoslav conflict more actively and clearly. To which he answered in a fit of temper: "I am accepting all your proposals as it is, what more do you want?...."

[MOSKOVSKIYE NOVOSTI] Does that mean there is now greater mutual understanding in your relations with the Foreign Ministry?

[Ambartsumov] I would assess these relations as critical cooperation. I have expressed my disagreement with some of the Foreign Ministry's attitudes in the press, at meetings in the Foreign Ministry itself, and in our committee. Kozyrev has listened to this patiently. Sometimes he has continued to go his own way, but he has recently taken our opinion into account more and more. However, the Foreign Ministry itself is heterogeneous: Some of its employees suggested additional arguments for our stance on the Yugoslav question, our approach to the Baltic countries, and so on.

[MOSKOVSKIYE NOVOSTI] What are your personal relations with Minister Kozyrev like?

[Ambartsumov] I believe we are maintaining relations of mutual respect. As I recently said to Khasbulatov, despite my known differences with Kozyrev, I do not believe it would be advisable for the minister to be replaced.

[MOSKOVSKIYE NOVOSTI] What about the rumors that you are aspiring to his post? How do you react to them?

[Ambartsumov] With humor.

Kazakh Leader Wants Russian Troops in Tajikistan

OW2109185092 Moscow INTERFAX in English
1647 GMT 21 Sep 92

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"—following item transmitted via KYODO]

[Text] In an conversation with journalists in Moscow Monday [21 September], Kazakh President Nursultan Nazarbayev, commenting on the developments in Tajikistan, expressed concern over possibilities for the weapons to penetrate to the territory of the bordering CIS countries. He expressed an opinion that the 201th Russian division should stay in Tajikistan, contending that it should be manned not only by the Russians but also Kazakh, Uzbek, Kyrgyz and Tajik personnel.

Estonian Ambassador Views Ties With Russia

OW2109152892 Moscow BALTFAX in English
1439 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] Russia and Estonia should address all of their problems on the warranted, internationally acknowledged level and seek to resolve their potential conflicts well in advance, said the Estonian ambassador in Moscow Juri Kahn in an interview for BALTFAX.

In his words, Estonia "should not adopt any legislation conducive to a conflict with Europe or Russia".

The Estonian diplomat had to admit that some of the Estonian parliamentarians are concerned with the fact that 38 percent of the republic's population have been deprived of the voting rights. The ambassador said that the principle of granting Estonian citizenship only to the pre-war citizens of the Estonian Republic, as well as their direct descendants and relatives has already produced a number of conflict situation.

At the same time, in his words, the parliament which was elected on September 20 will "have the authority to pronounce nil and void the provisions of the Estonian legislation which induce charges of discrimination of the Estonian powers that be".

Mr. Kahn also noted that the situation that has developed between Russia and Estonia regarding their border "does not contribute to full normalization of relations between the two states".

In the meantime, he maintained that the 1920 Tartu Peace Treaty is the only legally acknowledged international document which should serve as the basis for determining the state border between the Estonian Republic and the Russian Federation. It is, however, "highly upsetting for Estonia to deal with the situation when the border specified by that Treaty does not meet the RF [Russian Federation] interests," he said.

There is only one way [out] of this situation, according to the Estonian ambassador: the two countries ought to sign a "normal Russian-Estonian agreement which would finalize the border between the two countries".

Any reference to the Helsinki accord or the principle of the inviolability of the post-war state borders, Mr. Kahn went on, in this case have a "fairly conditional character". He reminded that acknowledged in Helsinki were the borders of the former Soviet Union which included the Baltic republics whereas a number of states never recognized the incorporation of these states into the Soviet Union.

Ministry Protests Delays in Opening Riga Embassy

LD2209060492 Riga Radio Riga Network in Latvian 1730 GMT 17 Sep 92

[Text] The Russian Federation Foreign Ministry has sent a note to the Latvian Embassy in Moscow on the opening of the Russian Embassy in Riga. The document notes that the Latvian Government is delaying a settlement of the issue while the Russian side has in every way assisted the Latvian Embassy in Moscow in organizing its activity. The note acknowledges that Latvia's ownership of the building occupied by the Latvian Embassy is without documentary proof and expressed the hope that the Latvian Government will find a constructive solution to the issue in the near future. It also points out that in Russia the law will return to the issue of the juridical aspect of the use of the building occupied by the Latvian Embassy.

Moscow Chides U.S. on Iran-China Nuclear Pact

NC1709211692 Moscow Radio Moscow in Persian 1330 GMT 15 Sep 92

[Sergey Viktorov commentary]

[Text] Iran has described the U.S. State Department warning on the conclusion of an agreement between China and Iran on cooperation in nuclear technology as haughty. As pointed out by the TEHRAN TIMES, the agreement, which was signed last Thursday during the visit by Iranian President 'Ali Akbar Hashemi-Rafsanjani to the PRC, concerns the use of nuclear energy solely for peaceful purposes. The newspaper writes: The United States does not have the right to prevent the implementation of this agreement. We would like to note that last Friday, U.S. State Department spokesman Richard Boucher had said that the China-Iran agreement facilitates the production of nuclear arms for Iran. Radio Moscow analyst Sergey Viktorov writes on this:

What can be said? The U.S. State Department spokesman's accusation of Iran of trying to manufacture nuclear arms through cooperation with other countries is a serious accusation. But in order to lend some weight to this accusation in the world community, the existence of signs as serious as the accusation is necessary. As far as we know, there are no such signs yet. And since there are no such signs, one should believe that Iran's nuclear program and its cooperation with other countries in this field is truly peaceful in nature. Tehran, too, is constantly stressing this, especially when contrary to some other countries, namely Iraq and North Korea, Iran has always shown interest in cooperating with the International Atomic Energy Agency [IAEA], which is the most competent international organization in this field. I recall how this agency's delegation inspected Iran's nuclear installations and did not find any signs that Iran is implementing a nuclear program for military purposes.

Of course, the U.S. State Department statement on the Iran-China nuclear agreement should be considered as a new manifestation of the overt hostility that has characterized Tehran-Washington relations for many years. However, in Washington they clearly do not take into consideration the fact that such ordinary political attempts within the framework of U.S. anti-Iranian stance is also related to the interests of other countries which, in this case, is China.

However, Russia too has signed an agreement with Iran on the installation of a nuclear power plant near the Iranian capital. In this agreement the non-military nature of this cooperation is clearly stated. By accusing Iran of trying to acquire nuclear arms through such cooperation, the United States is also indirectly accusing Russia and China—two other members of the UN Security Council—for conniving at the trampling of the pact on the nonproliferation of nuclear arms. This is unjust, since both Moscow and Beijing will not give in to [word indistinct] in the nature of their transactions with Tehran on nuclear technology, since in view of the credibility of these two UN Security Council members, international security is more important for them.

Now that Russia and China do not see anything reproachful in their nuclear cooperation with Iran, this type of cooperation can continue until the time when the IAEA—the recognized international authority on these affairs—says no.

Prospects for Cooperation with EC Viewed

PM2109085792 Moscow IZVESTIYA in Russian 17 Sep 92 Morning Edition p 5

[Aleksey Portanskiy report: "Aleksandr Shokhin: Equal Trade With Europe Is More Advantageous Than Present EC Aid"]

[Text] What is currently worrying EC countries most of all? Undoubtedly topic number one is the Maastricht Agreements and the problem of establishing a united Europe. However, the heady possibilities and new prospects in the West of the continent can hardly be implemented in full without the progress of democratic reforms in the East.

"We want to see the democratic government in Russia achieve its aims, and to be sure that we are doing everything in our power to promote the success of the reforms and the preservation of stability in East Europe. Because if Russia is not stable, the same fate will befall Central Europe as well." Sir Fred Catherwood, deputy chairman of the European Parliament Committee for Foreign Affairs and Security Questions, laid particular stress on this thought during my talk with him in the course of his recent visit to our country. His mission was connected with the preparation of joint hearings in the European parliament on the most important political and economic problems of the former USSR and the effectiveness of donating EC economic aid to us.

The first European parliament hearings on this topic were held in Brussels at the end of last week. The general atmosphere of the debate in the Belgian capital was, according to Michael Emerson, the head of the EC mission in Moscow, who participated in the debate, marked by firm support for democracy and economic reforms in the CIS.

Aleksandr Shokhin, deputy chairman of the Russian Federation Government who was representing the Russian side at the debate, holds a similar opinion of the hearings in Brussels. Right now the European parliamentarians, he stated to your correspondent, have already banished their doubts as to whether or not they should support the Russian reforms. A discussion of specific problems is under way: The future of the ruble, its convertibility, and how to establish a favorable climate for investment.

The obstacles to receiving financial aid that still existed until recently are being removed, albeit with difficulty. Thus, following the collapse of the USSR, Russia was due some of the loan that had been promised to the Union (1,250 million ECUs), a sum in the region of 499 million ECU's. Bearing in mind the sharp decline in Russia's solvency, the EC Commission initially set a condition: The loan could be granted only on the basis of the principle that Russia should abandon state immunity. This would mean the opportunity to sequester our property abroad in the event of nonpayment of debt. Under pressure from the European Parliament, the EC lifted this condition quite recently, deciding to grant Russia the first installment of the said loan, worth 150 million ECU's. During his stay in Brussels, A. Shokhin signed a package of documents on the community's granting us credit worth this amount in order to purchase medicines.

Having made a thorough study of the situation in our county, the European partners are already stating that they are prepared to grant humanitarian aid for the coming winter, at the same time suggesting that the needy regions should not just include Moscow and St. Petersburg, but also industrial centers like the Urals and the Kuzbass.

However, aid to Russia is a temporary phenomenon; at any rate this is what we would like to believe. The Russian Government is actively working to prepare a large-scale agreement on partnership and cooperation with the EC. This will not only replace the earlier EC agreement with the USSR dating from 1989, but will establish completely new terms for mutual relations. It is expected that talks on this agreement will be concluded this year. What benefits will it bring to Russia?

"The future agreement," Aleksandr Shokhin says, "should implement the formula 'trade is better than aid,' which was once suggested by EC Commission Deputy Chairman F. Andriessen. Owing to discriminatory quantitative restrictions placed on Russian exports, we are currently losing the potential benefit, which is only partially offset by EC aid and credits. If our exporters manage to achieve a full-scale breakthrough onto European markets, this will be an undoubted prize. Moreover, this will subsequently enable us to secure the abolition of the restrictions set by the Coordinating Committee for Multilateral Export Controls, which are still in operation."

The inclusion of Russia into the European economic area as a result of a future agreement will also have important political significance.

"This agreement could be the first to be dealt with after the Maastricht Agreements come into force," A. Shokhin believes, "and for the first time Russia will get the chance to take its proper place in the orbit of the European economy. And as has already been said on numerous occasions, this will stabilize the situation in East and Central Europe."

Commentary Views Troop Withdrawal From Cuba

LD1909170992 Moscow Radio Moscow World Service in English 1810 GMT 17 Sep 92

[Viktor Yenikeyev commentary]

[Excerpts] Russia and Cuba are said to have reached agreement on the withdrawal of a motorized brigade of the former Soviet Union from that island by the middle of next year. Commentary is by Viktor Yenikeyev, and this is what he writes:

[Passage omitted recalling Cuban crisis] By now more than 1,000 troops of the former Soviet Union have left what was widely described in the past as the freedom island and the remaining 1,600 soldiers are due to follow suit before long. Cuban diplomats meanwhile said that further deployment of troops made no sense following the demise of the Soviet Union, and that Cuba could just as well handle the task of ensuring its own security.

The statement smacks the revolutionary rhetoric [as heard] used by President Castro, whose reputation has largely been dented and his power weakened in the past few years. In which respect the decision on troop withdrawal was made by the former Soviet President Mikhail Gorbachev more than a year ago which evoked bitter remarks from Mr. Castro. Nor did Mr. Yeltsin's government succumb to Havana's overt desire, linking the issue of troop withdrawal to the winding up of America's Guantanamo base on the island.

The Soviet presence was a symbol of friendship between the two countries and of Moscow's support to Cubans, or rather the country's ruling regime. Most Russians still have sympathy for ordinary Cubans suffering from widespread shortages and probably wishing that the country's totalitarian rule should go for good. With Cubans driven to the near despair, many think that the days of the once powerful orthodox communist, Mr. Fidel Castro, are numbered and that his departure is a foregone conclusion both historically and practically.

Internationally the final pullout of the ex-Soviet Union's troops from the island will close yet another chapter on the cold war period. The Cuban crisis and the Berlin Wall used to be mentioned together as the events of the cold war period.

But Moscow's pullout from Cuba raises the question of the legality of America's military presence on the island. Sooner or later the Cubans may implement their slogans of "Yankees go home" - something that Washington should realize while welcoming Moscow's departure.

All Combat Units Withdrawn From Mongolia

PM1809122992 Moscow KRASNAYA ZVEZDA in Russian 17 Sep 92 p 3

["Direct Line" report by Aleksandr Davidyuk: "All Our Combat Units Have Left Mongolia. Only The Ecological Group Remains"]

[Text] Transbaykal Military District—There are around 400 Russian Army servicemen and 200 motor vehicles—the so-called ecological group—on the territory of Mongolia at the moment, but they too will be leaving the country in the very near future. That is what Colonel Petr Tarasikov, from the Transbaykal Military District, told a KRASNAYA ZVEZDA correspondent. All combat units have been withdrawn.

He gave some actual figures. This year Russia has made a total of 27 military camps over to Mongolia free of charge. The future of nine remains undecided. Some 156,000 tonnes of material supplies and more than 3,000 items of military equipment have been removed to Russia.

Moscow Studying Germany's Foreign Debt Proposals

PM2109141792 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 Sep 92 p 2

[INTERFAX report under the rubric "Nothing But The Facts": "Debts"]

[Text] The Russian Government is presently studying the proposals of FRG banks on settling [konvertatsiya] Russia's foreign debt in exchange for property on its territory. Aleksandr Pochinok, chairman of the Russian parliament Budget Commission, has made that announcement.

Opposition To Push for Cabinet's Resignation

OW2109211092 Moscow INTERFAX in English
1857 GMT 21 Sep 92

[From the "INTERFAX Business Report"—following item transmitted via KYODO]

[Text] Yegor Gaydar's government is threatened by a serious attack from the opposition during the session of Russian parliament to open on Tuesday [22 September]. Both radical democrats and the pro-communist lobby have stated their intentions to try for the cabinet's resignation, accusing acting Prime Minister Gaydar of conducting "anti-people" reforms.

Observers doubt that the opposition will be able to make Gaydar resign, but they say it is probable that changes in the government may take place. Some think that most criticism will go to the Ministry of Foreign Economic Relations and to Vice Prime Ministers Anatoliy Chubays (leading privatization) and Aleksandr Shokhin, who is responsible for Russia's foreign economic strategy and handles government ties with international financial institutions.

Gaydar himself confirmed his plan Monday [21 September] to return to a tight fiscal policy from which the government, in his words, was forced to turn in April 1992 due to pressure from opponents and the industrialist lobby which represents the directors of large state enterprises. Moving away from tight fiscal policy, Gaydar said, brought about the rise in the inflation rate, the sharp drop in the ruble to the dollar and a general destabilization of the economy.

Disputes about the Central Bank of Russia (CBR) are also expected. The CBR is still subject to parliament. Recently, many high-placed members of Gaydar's cabinet have expressed the desire that the CBR be subject to the government, saying this is a necessity in order to "best coordinate" reforms.

Reform Movement Leader Ready To Form Opposition

OW1809213292 Moscow INTERFAX in English
1627 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] Chairman of the executive committee of the Russian Democratic Reforms Movement (RDRM) Aleksandr Kiselyev announced that the Russian Government "is slipping further and further down on its position on management of the economy." At a press conference Friday [18 September] in Moscow he also pointed out that Russian President Boris Yeltsin's recent announcement in Cheboksary on the postponement of elections for head of administration "lowers the dynamics of democratic reforms in the country, which could, in turn, further hinder reforms."

"The RDRM is prepared to form a democratic opposition to the process of lagging reforms," said Kiselyev.

He remarked that one of the first orders of business in the RDRM is the "formation of a general opinion on the direction of further reforms of the state system"—specifically, the development of the constitutional process. Since the convention of Russian deputies, according to Kiselyev, "is in no position to adopt a new constitution," a special organ—a constituent assembly or a constitutional assembly—will have to be elected.

Kiselyev stressed that if the issue of private land ownership is not resolved at the fall session of the Supreme Soviet, the RDRM "is ready to begin collecting signatures" for a referendum on private ownership and a new constitution. Kiselyev believes that the movement's members are prepared to support "many other political forces."

Constitutional Democrat Leader: Alliance 'Likely'

OW2109212392 Moscow INTERFAX in English
1847 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The Constitutional Democrats had to admit that the pullback of the liberal reform has become a reality, journalists were told at a press conference staged by the leaders of the Party of Constitutional Democrats and the Economic Freedom Party in Moscow Monday [21 September]. In characterizing the "Grazhdansky Soyuz" ("Citizens' Union") organization, the Constitutional Democrats were referring to it as "the main political factor of the mammoth pyramid of the employees of the state-run offices and enterprises". "This is not a party of industrialists and directors," they claimed, branding it a "party of the state pencil-pusher".

In anticipation of their likely alliance with the Economic Freedom Party the Constitutional Democrats accentuate that it will be a political alliance rather than a political bloc. Their alliance provides for dual membership, joint supreme coordinating organ, and joint actions. The alliance, according to the Constitutional Democrats, will materialize in December.

In commenting on the probable alliance on a request of the INTERFAX correspondent, the co-chairman of the Economic Freedom Party, Konstantin Borovoy, emphasized that the two party share common interests and liberal orientation.

Mr Borovoy and Mr Zolotarev, chairman of the Constitutional Democrats contend that the coming session of the RF [Russian Federation] Supreme Council will produce a compromise between the liberals and the opposition. Konstantin Borovoy also suggested that the session may also translate into a decision to convene a congress to express the vote of no-confidence to President Yeltsin.

Stankevich Advocates Coalition Government

PM1809155192 Moscow ROSSIYSKIYE VESTI in Russian 17 Sep 92 p 2

[Interview with Sergey Stankevich, adviser to the Russian Federation president, by Petr Akopov; place, date not given: "'Only a Coalition Government Will Be Able To Work Effectively'—According to Sergey Stankevich, Adviser to the Russian Federation President"]

[Text] [Akopov] You have repeatedly stated your disagreement with certain aspects of the government's political course. Nevertheless, you were recently reconfirmed in the post of adviser to the president on political issues. How can you explain this?

[Stankevich] Clearly I am regarded by the president as a useful member of his team. I think it extremely necessary that the ideas of strong and effective state power, the combination of democracy and patriotism, and gradual evolutionary reforms should be present and influence the intellectual climate of the Kremlin. They may not dominate at this stage, but it is important that they be heard. It is enough for me that these ideas, while not determining the course, do influence individual decisions. That is what makes it worth staying.

[Akopov] Do you not feel lonely in the president's team in defending state [derzhavnyy] ideology?

[Stankevich] No, Yeltsin's entourage and the government contain both the supporters of a radical-liberal line and the "statists," supporters of gradual, manageable reformist evolution. But almost no one clearly formulates his own vision of Russian reforms and of Russian history and values, which can serve as the foundation, or their own views on the future of the Russian state. Few express themselves in detail on these topics. Moreover, there is a verbal eclecticism where people seek to use different terms according to the situation. The orientation of Gaydar and his team, to which the foreign minister belongs, is pretty clearly defined. These are supporters of radical-liberal reforms. Shumeyko and Khizha, for example, advocate gradual, evolutionary reforms and an energetic industrial policy and want reforms to go down to the enterprise level as quickly as possible, without confining themselves to macroeconomics. These two lines are present in the Russian leadership. Many people simply act pragmatically without asking themselves the critical questions "What is Russia?" and "Where is it going?" They act like practical people, reacting to everyday problems.

[Akopov] Which of the president's comrades-in-arms would you cite as your allies?

[Stankevich] There are no special alliances or groupings in the Kremlin, and thank God for that. But I am not inclined to regard myself as a political outsider whose views are completely rejected: Interest is shown in them, and some aspects of my position are being integrated into the overall line.

[Akopov] How will the reforms go on?

[Stankevich] The collapse of the country and the erosion of its economy must be halted at their present limits. We now stand at a strategic crossroads. The first road leads to the situation blowing up, sharp radicalization of reforms, and revolution. This is being urged by many people. For example, Kronid Lyubarskiy in NOVOYE VREMYA argues that it be clearly stated that we have a revolution in our country and that the use of revolutionary methods not be balked at. The second road would replace the bold, frontal attack by more evolutionary reforms which protect people, reforms which would guarantee at every stage maximum social support and the minimum requisite level of strategic governability in the country. Society's survival mechanisms are not to be touched, there are certain thresholds below which you cannot go. There are always boundaries: Neither living standards, nor the level of production can drop below a certain point. Those points must never be overstepped.

You can by scorning reality try to create some kind of macroeconomic landscape in accordance with one economic theory or another within two years by dint of "heroic efforts." You can, for example, keep the budget deficit within 5 percent of GNP and drastically toughen up credit policy. But that will generate such gigantic destabilization in society that all those "achievements" will soon be swept aside. The economic picture created by such means will not be long-lived. Even for Western investors who are really keen to "get involved" in production it is more important that reforms move in the right direction, toward creating a stable market economy; however, stability and manageability should be observed at each stage. Such a situation is far more favorable for sound partners, even if the macroeconomic indicators are not as optomistic as the IMF would like.

[Akopov] But what, then, in your opinion, needs to be done to achieve social accord and win ordinary people over to the reforms?

[Stankevich] The values shared by the majority and the ideological justification of the present state should exist in society. People should understand why they should work not just for themselves and their families but for the common result, and why we should make this "breakthrough." Clearly such values are perceived now, and patriotic and state ideas should occupy a worthy place among them. There is also a place in this system of values for sensible decentralization, particularly in the sphere of economic activity. The formation of efficient self-managing regions is essential for Russia, but this should not stymie the retention of the country's territorial, constitutional, and legal integrity.

[Akopov] The notions "democrat" and "patriot" have become sort of antonyms in our country designating two irreconcilable camps. Is this not because the democrats did not pay enough attention to the ideals of statehood and patriotism?

[Stankevich] I can feel solidarity with Solzhenitsyn when he says that nothing sensible will come out of a country where "democrats" and "patriots" are abusive terms belonging to people from inimical camps. So long as this preposterous, absurd situation persists, we will lack the requisite degree of accord for joint work. No society will be able to carry out reforms in such a disorderly, fragmented condition .

[Akopov] How, in your opinion, will the power struggle between the political movements, associations, and coalitions, which is now gathering momentum, develop?

[Stankevich] The conditions now exist for the formation of two major coalitions based on the Civic Union (perhaps the most considerable political force today) and the forum of democratic forces. A third, more rightwing coalition could also probably be formed. Dialogue among these three forces could help them agree on something major and find a formula for agreement The creation of a coalition government will then be possible, a government that will make it possible to overcome the present crisis. If you proceed from the premise that a long stage of evolutionary reforms is starting, during which it will be extremely important for us to maintain stability, you are left with nothing save the idea of a coalition government. Mere dialogue with different parties will not result in their sharing responsibility for the reforms. Sharing responsibility and stabilization on that basis are possible only if a coalition government exists.

[Akopov] Do you think, then, that representatives of the bloc of patriots and communists will be able to take part in such a government?

[Stankevich] I do not think that communist or extreme chauvinist groups should join such a coalition. As far as ordinary patriots are concerned, I do not think they should be ignored. I think that their present "cohabitation" with communists is unnatural. An alliance between people striving to restore Russian state traditions and those committed to communist ideology cannot last long. Unfortunately, the existence of such an unnatural alliance was made possible to a large extent by the lack of a consistent line combining democracy and patriotism. If the democratic authorities now sincerely and informally accept the ideas of the state [derzhavnost], I think that many patriots will start cooperating with them.

[Akopov] You have often been accused of late of betraying your own convictions and of having become a turncoat. How do you see this?

[Stankevich] This is partly just a misunderstanding and partly an unwillingness to accept that such a position exists at all. I have not, of course, betrayed any democratic values and never will forsake them. But at the same time I see no reason at all to reject patriotism in toto as a phenomenon that is fundamentally misguided and inevitably primitive or jingoistic. Why is it possible to be only a patriot like Zhirinovskiy and is it impossible for Russia to have the kind of patriot that de Gaulle was for France or John Kennedy for the United States.? It is to John Kennedy that a kind of manifesto of sensible patriotism belongs: "Ask not what your country can do for you; ask what you can do for your country." Why can there not be such a patriot in Russia? The inertia that comes from fighting and the desire to maintain the atmosphere of the battlefield often show today. Many people have simply become professionals in the war against the "democrat-betrayers of the motherland" or the "brown shirt danger." Labels are brandished blindly and wildly.

[Akopov] What do you regard as your greatest achievement and failure during the period you have been working with the president?

[Stankevich] I managed to establish the need for a statesmanlike, state standpoint. The fact that, despite prejudices and negative stereotypes, this standpoint was not immediately rejected or denied and that it has constantly been present and even become consolidated, albeit not as the dominant line, I consider a success. As for specific things, I think that my ideas and proposals have substantially influenced the defining of the position regarding the situation in the Dniester region. I have been able to draw attention to the problems of ethnic Russians in nearby foreign parts.

Unfortunately, I have failed to persuade my comrades-in-arms in the democratic movement of the need to review seriously certain ideological postulates and the reform strategy. Or to persuade them that radicalism today is ruinous to both the reforms and Russia. And, on the other hand, I have been unable to persuade any considerable number of those who regard themselves as patriots that they have to distance themselves firmly from monstrous excesses and from the extremists who live off the patriotic movement and that they have to pay serious attention to democratic institutions and values.

Chubays Urges Caution on Privatization Vouchers

LD2109213492 Moscow Russian Television Network in Russian 1924 GMT 21 Sep 92

[Interview with Anatoliy Borisovich Chubays, chairman of the Russian Federation State Committee for the Management of State Property by unidentified correspondent; place, date not given; video shows Chubays being interviewed inside an aircraft—recorded]

[Text] [Correspondent] Anatoliy Borisovich, literally in two weeks' time everyone of us will be the owner of a privatization check, the so-called voucher. All our television viewers are interested in what one can do with a voucher, simply how to deal with it.

[Chubays] Well, not everyone of us will become the owner of a check in two weeks. They will only be handed out in two weeks' time. The distribution will be completed on 31 December. So we have three months ahead of us. That is why the first advice I can give to those who will be the first to receive a check is not to be in a hurry, not to hasten. Some sort of a nervous atmosphere is already taking shape. Many people are already very upset and worried about the fact that they will not have enough time and that they will be deceived. So the first advice is do not hurry. One has to look around and find the price at which checks are being sold—the price they are sold at in your city and the price they are sold at in other cities, Moscow and St. Petersburg. In other words, one must carry out small market research and talk to acquaintances, relatives, and friends. It is clear that it can be sold right away. It is allowed. Just to sell it for cash, and some people will probably go for it. But it is clear that it will not be a very profitable deal because the value of a check will rise. This can be seen from all our assessments. It will increase in value as the market for it takes shape. The sounding out of the market has already started. There have been attempts to sell a check for 3,000, 4,000 or 5,000 rubles [R] at some stock exchanges, and they have failed. Prices in the range of R8,000-R9,000 have been offered. First sales have taken place, but these sales are for those in a hurry, so to say. I would say once again: Take your time. Vouchers will be valid until the end of next year. The inflation will not reduce their value; on the contrary, it will increase this value. So again, there is no need to hurry.

Next, everyone will have three options. Number one—sell, as we have discussed. Number two—buy shares of an enterprise where one works—only if one works at a privatized enterprise. This is a profitable investment as regards the absolute majority of enterprises, even those that are not very profitable or efficient, because here the voucher will be exchanged according to the residual value of enterprises, which will surely be lower than their market value.

There is a third possibility—to use services of investment funds. They will be actively set up in the nearest future, and they will advertise their services. I believe that this will be one of the most popular ways of dealing with vouchers. Here, one should not hurry either. There is no need whatsoever to lose one's head. No one is going to take the check away. It will be valid for a long time. One should shop around and see what various investment funds are like, how serious their founders are, what they promise in exchange for the check. Give it a lot of thought, at leisure, then make a decision. It can be made in March next year, or June, or December. No need to hurry, for investment funds will appear in great numbers across the country. Obviously, their representatives will themselves be searching for those willing to sell their checks, they will travel around to towns and villages. It is known that many commercial firms are drawing up lists, especially of residents of faraway areas, old men and women who might be willing to sell. This is good. We are quite happy with this. It is not something to worry about.

However, our goal, the goal of the government, is to create a competition among these commercial ventures, to arrange it in such a way that every grandmother will have a choice of two, three, or five buyers. Then she will be able to choose and sell to the highest bidder.

We are spreading a powerful propaganda campaign at present which is still in its early stages. We want to explain to people what it is. It will be done not only through central television and the central media but through local newspapers as well. We have signed agreements with 112 local newspapers and we will share information with them. We have just been to Tolyatti and Kuybyshev. Perhaps you saw a special publication of a public edition of the special newspaper PRIVATIZATION VOUCHER, which clarifies to people what it means. It is very important to ease the panic mood, the mood that a person standing in line has: I should get it now or nothing will be left.

[Correspondent] What problems will you face in the course of privatization throughout the country?

[Chubays] You know, the list of problems is very long. If I read it all there would not be enough time for your program. But to mention the most important thing, I would rather talk not about the problems but about what has been overcome by today, about the most important things which inspire optimism and faith. At the same time there are hundreds of concrete difficulties. There are difficulties as regards the positions of individual oblast soviets. There are difficulties as regards the desire by some labor collectives to receive more than is due to them. There are difficulties as regards the availability of normative documents and hundreds of other issues. But there is the most important thing that inspires optimism—it is the fact that nobody should be forced into privatization. And the fact that today the cautious attitude, the attitude of some distrust and doubt, which has been present until very recently, has, in my view, been defeated. It is over.

[Correspondent] Your privatization option differs radically from previous options. Could you give more details in what way it is different?

[Chubays] Well, it depends on what you mean by the previous options. If ideas of handing over property free of charge to all is under discussion, in my view this is a senseless and irresponsible idea from the economic point of view. However, it is clear that those who defended it gained some political dividend. Naturally, if you go to people and say that you want to give them everything free of charge, it would be supported. But as soon as you start to think it over more thoroughly, as soon as you realize what will follow, what will happen to the property that has fallen on you free of charge, it becomes absolutely clear that this is simply madness and irresponsibility, and irresponsibility not only toward the present but toward the next generation as well. There is also strict economic evidence that shows that this road will lead us nowhere.

Luckily, we managed to convince the Supreme Soviet; I believe that the decisions that the state privatization program has incorporated are a sensible and healthy compromise. It is very important here to avoid reviewing these decisions once again, to avoid endless discussions, conversations, and parlays. It is crucial to continue to sustain the momentum we gathered in August and September.

[Correspondent] Investing vouchers in enterprise shares is profitable, first of all for employees of those enterprises. What should those who are not employed by production industries do: Nurses, teachers, etc?

[Chubays] That is right, there are more possibilities opened for those working at privatized enterprises. This has to be admitted. How is it possible to help those who are not employed by privatized enterprises? What should be done here first—a package of steps should be devised to ensure the highest market value of the check. Therefore, we are thinking of a whole series of major decisions—I would not like to pre-empt or describe them—but they will considerably increase the check's market value. A privatization check is something many families are discussing today, a question that involves many people in real terms. Naturally, many politicians are attempting to earn credit over this issue. Some mass media are even deploying a campaign with the catchphrase: Checks rob the people. Here something is wrong with common sense—I mean, with those who defend this position, and try to do so seriously.

It is quite clear that in the framework of this campaign the government has done something that was awaited for decades. The government is giving to the people the state property that it always used to administer. It is not expropriating it, it is giving the property to the people. It is important that this is understood by our political opponents, and grassroots people, on whose behalf it is being done.

Russian Unity Says Privatization Decrees Illegal

OW2109204492 Moscow INTERFAX in English 1847 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The opposition parliamentary bloc "The Russian unity" intends to submit to a session of the Russian Supreme Council the issue on implementation of the state privatization program. A draft resolution prepared by the bloc says that "the government activities do not correspond with the goals set by the law on privatization". "The Russian Unity" considers the government decrees, some of the articles of which "run contrary to the Russian laws on property, privatization of state municipal enterprises, personal privatization accounts and deposits" to be illegal.

The document notes that the Russian Supreme Council has not been presented with an economically justified calculation of the sum, established by the government at 10,000 rubles, to be paid to citizens.

Chubays: Bank Must Be Subordinate to President

OW2109184692 Moscow INTERFAX in English 1648 GMT 21 Sep 92

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] In his exclusive interview with INTERFAX correspondent Aleksey Chernyshev, the Russian vice premier, chairman of the state committee for state property, Anatoliy Chubays, said he was convinced the Central Bank of Russia "must be subordinate to the president".

IF [INTERFAX] Note: At present, the Central Bank of Russia is subordinate to the republic's Supreme Soviet. Addressing an All-Russian conference of the heads of representative authority and president's administration in the Russian regions held recently in Cheboksary, Boris Yeltsin spoke for a re-subordination of the Central Bank to the government or for granting an independent status to the bank. Chubays' statements make the president's initiative more precise and concrete. And under the resolution of the Congress of the Russian people's deputies Chubays officially continues to head the activity of the Cabinet. According to the last version of the draft decree on the RF [Russian Federation] Council of Ministers prepared by a joint group of government's and parliament's representatives, the president retains the prerogative to head the work of the Cabinet. Subordination of the Central Bank to the head of the state is actually equal to its subordination to the government.

Chubays motivated the necessity to re-subordinate the Central Bank to the head of the state by the presence of "rather serious contradictions between the government and the Supreme Soviet".

According to vice premier, under present situation "professional financial decisions are being passed under the influence of political confrontation and under the influence of different political forces". Chubays believes that "it is a very high price to pay for interests of separate politicians".

The vice premier is convinced that "decisions being passed by the Central Bank define the fate of ruble, and consequently, of the whole Russia, and of the whole CIS". To change the situation when economic decisions are being passed according to political aspirations it is necessary to re-subordinate the Central Bank to the President, Chubays summarized.

Official Blames Ruble's Fall on Central Bank

LD2109210692 Moscow ITAR-TASS in English 1852 GMT 21 Sep 92

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow September 21 TASS—The rouble's downfall is caused by the policy of the Central Bank of

Russia, according to a high-ranking official with the Russian State Property Management Committee who asked not to be named.

"The Central Bank, which has to support the national currency and regulate credit and financial relations in the country and which is out of politics, as its Chairman Viktor Gerashchenko said, is pursuing a strange policy as regards the Russian economy," the official told ITAR-TASS.

He said the bank is intentionally weakening the rouble by buying up foreign currency, which may bring large profits to a limited number of commercial banks and financial sharks and restore fixed exchange rates for importers, consequently strengthening the positions of bureaucrats in the Central Bank and the government distributing hard currency.

The official said the bank continues to issue credits to other banks in the rouble zone formed after the collapse of the Soviet Union last December, which runs counter to Russian President Boris Yeltsin's decree on measures to protect Russia's monetary system.

He has estimated possible credits to other CIS states at 300 billion roubles, which would cost every Russian citizen about 2,000 roubles. He also criticised the bank's decision to forgive the debts that enterprises have to each other, warning that it may increase the amount of cash in circulation by 20 to 30 per cent, send prices skyrocketing and increase the shortage of goods in state trade.

Currency Auctions Held 17 September

PM2209102592 Moscow IZVESTIYA in Russian 18 Sep 92 Morning Edition p 2

[Unattributed report]

[Text] The latest auctions took place at the Moscow Interbank Currency Exchange on 17 September. A rate of 205.5 rubles [R] to one U.S. dollar was set (at previous auctions it was R204: $1). The overall sales volume was 49.66 million [currency unspecified]. The initial amount of hard currency offered for sale was 43.58 million, while initial demand to buy was 50.97 million. Forty-four banks took part in trading.

Currency Exchange 'Panic Stricken' by Ruble Drop

LD2209142992 Moscow ITAR-TASS in English 1123 GMT 22 Sep 92

[By BUSINESS-TASS correspondent Vadim Yegorov]

[Text] Moscow September 22 TASS—The Russian currency exchange market has been panic stricken as the dollar exchange rate went up to 241.0 roubles per dollar at the tradings of the Moscow Interbank Currency Exchange (MICE) on Tuesday [22 September].

The situation on "the black Tuesday", when the dollar exchange rate went up at once by 35.5 roubles against the previous level, resembles the currency crisis at the end of August. The "MICE" information office reported that despite the overall growth of the dollar exchange rate, the volume of sales reached a record level of 68.80 million dollars registered at trading sessions this year.

Experts believe the main cause of the drop in the rouble value is another upsurge of inflation connected with the rise in food and energy prices.

Continued Food Price Increases in Fall Predicted

PM2109121592 Moscow ROSSIYSKAYA GAZETA in Russian 17 Sep 92 First Edition p 1

[Correspondent/agency column report: "We Will Survive?"]

[Text] Food prices will continue to rise in the fall.

A forecast of the level of prices of basic products toward the end of the year prepared for the government by specialists of the Russian Ministry of Economics Prices Committee attests to this. Two scenarios are posited in the forecast: the level of prices in the event of the maintenance of subsidies from the republic budget, and the level without subsidies.

Vladimir Kufakov, deputy chairman of the Prices Committee, stated that "subsidized prices of meat could reach 160-200 rubles [R] per kilogram, nonsubsidized prices—R240-300."

A subsidized loaf of white, wheaten bread could cost R35 in November, a nonsubsidized loaf—R40; a kilogram of sugar could cost R65 and R78 respectively, and a kilogram of butter—R250 and R330-415.

Government Report on Export Duties, Protectionism

OW1809043892 Moscow INTERFAX in English 1740 GMT 17 Sep 92

[From the "Point of View" section of the weekly "Trade & Investment" feature—following item transmitted via KYODO]

[Text] **EXPORT TARIFF**

Although the Russian Government intends to adjust the rates of the export tariff downwards next year, the rate of export duty on goods related to key areas of economic restructuring (transport, fuel and energy, foodstuffs, medicines, conversion) are most likely to be lowered very gradually or even remain unchanged.

Export quotas for products manufactured in these sectors will also remain unchanged as compared with the second half of this year. This has been disclosed by government experts in a report entitled "On the concept of structural policies for 1993 and for the medium term" which has recently been submitted for discussion to parliamentary commissions. The rates of export tariff currently amount to 20-35% of the world market prices for goods exported out of Russia.

The proposed freezing of the export tariff has been dictated by the need to ensure in 1993 an inflow of a substantial amount of foreign exchange to Russia's Currency Reserve in order to repay external debt and pay for imports of large quantities of food (agricultural production fell in 1992 because of unfavorable weather conditions). Oil revenues will not be sufficient to foot the bill because oil output is expected to shrink.

The need to retain the existing export duty rates on the products of the defence industry is explained by government experts by the necessity to earmark a greater proportion of revenues from export duties for conversion purposes.

IMPORT TARIFF

The government plans to introduce a permanent import tariff next year, which will replace the currently existing so-called "temporary" tariff. The permanent tariff will become the main instrument of regulating imports with the purpose of shielding Russia's domestic market from the negative influence of foreign competitors. In contrast with the temporary tariff, it will be oriented not on maximizing budget revenues, but rather on extending a limited degree of protection to those industries which stand a good chance of growth in the environment of the world economy.

The report says that tariff rates should differ from product to product, as well as from country to country (depending on trade relations with a given country). The rates should be reviewed to meet the need of stimulating a greater supply on the internal market, ensure fair competition, and meet the priorities of industrial restructuring.

The most likely area of protectionism, the experts say, is engineering: communications equipment, computer hardware, farm machinery, cars, transport and electric power equipment, and products of heavy, energy, oil and petrochemical engineering.

Government experts estimate that at least $1 bn [billion] worth of machinery and equipment should be imported next year, as well as $9 bn worth of foodstuffs, and $1.5 bn worth of medicines and raw materials for their production.

Raw materials and other inputs for specific industries will have to be imported by enterprises themselves, and be paid for out of their own financial resources. Services, non-trade transactions and debt repayments will amount to about $25 bn.

The above estimates of the critical amounts of imports will if necessary be revised in the course of preparing a forecast of Russia's economic and social development for the next year. This year's actual harvest figures will also be used in revising the estimates.

Official Statistics on Poverty Dissected

PM1809113992 Moscow IZVESTIYA in Russian 10 Sep 92 Morning Edition p 2

[Tatyana Khudyakova article: "How Many Paupers in Russia? Wages Have Risen Tenfold But the Living Standard Continues to Fall"]

[Text] The Russian Federation State Committee for Statistics [Goskomstat] has compiled data on wages in June this year. Wages were 5,067 rubles [R], an increase of 930 percent compared with the same period last year.

The increase in wages at enterprises and organizations in material production sectors over the month was 35 percent, 38 percent in industry. The 21 April 1992 Law "On raising the minimum wage" prescribes that all enterprises and organizations not financed from the public budget introduce minimum wages of R900 if they have the means to do so.

However, everyone increased wages—neither the enterprises' increased debt in terms of reciprocal accounts and payments to the budget nor the increase in the volume of overdue credit repayments proved an obstacle. They took the easiest option—they raised output prices. In June wholesale prices rose 36 percent compared with May.

Meanwhile, as the Goskomstat analysis points out, one enterprise in two in industry and construction and nearly two-thirds of kolkhozes and sovkhozes owed their workers wages in June. The total debt stood at R65.1 billion on 1 July.

Unfortunately, even the Russian Labor Ministry's Remuneration and Labor Incentives Administration does not have more current statistics than these on the growth in wages. However, there is reliable information that in September minimum pay in budget-funded sectors will be R1,350. Is that enough to get by from one wage package to the next? If one is to believe the claim, supported by certain data, that the subsistence minimum in Moscow, for example, is over R5,000, how many residents of the capital have incomes below the minimum?

"First of all, let us not make the mistake of directly comparing the statistics on the growth in wages and the subsistence minimum," Yevgeniy Gontmakher, chief of the Russian Ministry of Labor's Administration of the Standard of Living and Social Support of the Population, said, commenting on the situation. "It is all far more complex than that and, besides, figures on a subsistence minimum of R5,000 or even R10,000 are not so much objective data as grounds for political battles."

What is the ministry's position on this score? Until the start of this year the poverty level was determined using the so-called minimum consumer's budget. It was calculated on the basis of a "basket" of 300 types of consumer goods. If you take the minimum consumer budget as the basis, 90 percent of the Russian population is below the poverty line.

This does not mean that virtually the whole population is starving—it is simply that the structure of expenditure has altered drastically. The average Russian family now spends 75-80 percent of its income on food. People are foregoing paid services, new clothes, and consumer durables and are not going to the movies or the theater.

This is still not poverty but a condition that maintains tension in society. This cannot go on indefinitely—only for the period of crisis and when the economy begins to stabilize. However, this situation did necessitate another means of determining the living standard—that means is the subsistence minimum. The range of goods in the "basket" enables you to have all the essential food products, goods, and services but at a substantially lower price.

According to the Labor Ministry's data, the subsistence minimum in July averaged R1,950. Some 40 percent of Russians were below this poverty line. They included large families, single-parent families, pensioners, and nonworking invalids.

"But even these statistics cannot be considered absolutely accurate," Yevgeniy Gontmakher believes. "The more realistic figure is 25 percent and this is why. There is no precise information on the population's incomes—according to some data over one-half are avoiding taxation. The system of calculating incomes and taxes is only just being formed, which is why the statistical accounts do not include everything."

For example, the average pension in July was R1,300, but one-fourth of pensioners work. There are no figures on their extra incomes. It is known that some people who have registered at the labor exchange are employed in commercial activity "on the sly."

It cannot be said with absolute confidence that those people officially receiving the minimum wage live on that alone. It is this category of workers who are actively using the right to more than one job and receive two to three minimum wages a month. But the account only shows one such wage.

Workers with "average" wages are in a far worse position. They are the ones who do not have the opportunity to do extra work and their living standard is lower than that of people who are officially considered low-paid.

Nevertheless, the economic crisis has had a most negative effect on the budgets of the vast majority of Russians. Can any effective measures be taken to give the population support, however slight?

The Supreme Soviet is examining the question of setting a minimum wage at the level of the subsistence minimum, that is, around R2,000. Ministry of Labor specialists believe that this is impossible. The economic situation is continuing to deteriorate and Russia, which is near to the developing countries on all indicators, cannot guarantee a subsistence minimum to all its citizens.

The minimum wage for budget-funded sectors of R1,350 is calculated on the basis of the rise in the price index and the state's actual potential. For the more effective social protection of the population it is necessary to grant greater rights to the regions, which know best who is most in need of material support and assistance.

To find out who are the most needy we could use the West's experience in which an individual makes a declaration of poverty in which he indicates his sources of income and the municipal commission decides accordingly.

Were such a form adopted, how many millions of Russians would be eligible to sign it?

Government Adviser Views Economic Reform

PM1809122192 Moscow ROSSIYSKIYE VESTI in Russian 17 Sep 92 pp 1, 3

[Interview with Aleksey Ulyukayev, leader of a group of advisers to the Russian Federation Government, by Yuriy Rytov under the "Topical Interview" rubric; place and date not given: "The Leader of a Group of Advisers to the Russian Federation Government Reflects on the Progress of Economic Reform: The Child May Have Shortcomings, But It Can Already Walk"]

[Text] [Rytov] If you take 2 January as the starting point, the first phase of economic reform has been going on for just over eight months. What kind of child, then, have we managed to produce during this time, in your opinion?

[Ulyukayev] The child may have many shortcomings, but it can already walk. There are two or three key problems which will ultimately determine the success of reform. First, the role of finances in the economy. The fact that we have earned money is a most important result of the past months. Usually the government's opponents sharply deny that claim. How can that be, they say, as the ruble is undergoing devaluation? In actual fact there is no contradiction here.

Similar processes occurred in the economies of certain West European countries during the period when the convertibility of their currency was being established. So, if we look at the history of Italy in the sixties, we see that the rate of the lira fell drastically. But did a sharp demonetization of the Italian economy really ensue from that? Quite the contrary. That was the very period when the lira became fully convertible.

The value content of a monetary unit and its ability to carry out its ascribed functions—exchange, circulation, savings, and so forth—are quite different things. A monetary unit is perfectly capable of performing such functions even if its value is decreasing. That is precisely our experience. It means that we no longer need any additions at all to the official monetary unit—the ruble—we no longer need permits, quotas, coupons, or vouchers. The ruble is the monetary unit on its own and does not depend on the will of a boss—large or small—who allocates (or does not allocate) funds and ceilings.

Hence the complete change in the attitude of economic leaders to the government. Who last year would have considered seeing growth in credit as the key problem? It was not credit that was needed then but an infusion of actual goods. Even the very nature of the present-day claims made on the government indicates that we have succeeded in changing the value relations in the economy and that the economy is becoming a money-based one. Although it is, of course, a distorted money-based economy, it is one for all that.

The second point is that we have rendered the economy governable and moreover to the point where many important issues concerning the population's vital needs are being resolved without the former "heroic efforts."

[Rytov] What do you mean?

[Ulyukayev] Remember, for example, the way the situation was last year? We were reproached for having conceded too much to the miners. But what did our opponents expect? After all, the country was suffering from an extremely acute shortage of ferrous metals. In that situation the miners' strike blackmail was a formidable weapon. Coking coal had stopped arriving at the metallurgy plants. And halting the metallurgy plants would have meant the complete paralysis of the whole economy.

It is a completely different situation now. Demand for ferrous metals has gone down, there is no longer a shortage of them; and the sociopolitical consequence is that it is possible to put up tougher resistance to blackmail. And hence the economic consequence that it is possible to renew fixed capital, restructure production, and switch from open-hearth to electrometallurgical production. As indeed has occurred worldwide.

Or take the problem of supplying cities with heat. At one time it, too, required heroic efforts. While now its solution does not require intervention by the central authorities. I would categorize that also as a very important result of the reform.

[Rytov] The other day THE WASHINGTON POST quoted sharp comments about the government by the acting chairman of the Central Bank of Russia, Viktor Gerashchenko. The newspaper described the comments as "the first public acknowledgment that the country will be unable to meet its IMF commitments without risking intolerable social consequences." How do you regard the statement?

[Ulyukayev] I would not overdramatize the statements, which have caused such a storm. Declarations are one thing, real actions another. There have been no actions whatsoever to excessively expand money. Whereas actions to speed up settlements between enterprises have been carried out. Journalists are often inclined to pick up things done for effect: speeches, statements, and so forth. While those things that happen in real life—the speeding up of settlements and payments—which are not sensational in nature somehow pass them by. Therefore my opinion is that no differences in principle exist between the government and the Central Bank of Russia. There are disagreements over the details, but they can be settled.

Now for our relations with the IMF: Will we be able to meet our commitments in the fall? No, we won't. We won't be able to in the sense of exactly meeting the figures cited in "The Memorandum on Economic Policy." We will not be able to with regard to increasing prices for energy carriers. We will not be able to meet the planned budget deficit level or the anticipated level of inflation.

The liberalization of prices for sources of energy is being deferred until at least next year. The budget deficit will probably be double what we anticipated. Roughly 7 percent of GDP instead of 3.5. Inflation rates toward the end of the year will also be double those previously planned. Nevertheless we have contained the basic trends and are not overstepping the permissible boundaries.

Our IMF partners appreciate our difficulties. They are caused no undue concern by the fact that we will not meet the letter of our commitments, since the spirit is being kept.

[Rytov] Nevertheless, nevertheless... What are the most acute problems now facing us?

[Ulyukayev] The threat of hyperinflation is the first thing. Declining output the second. Which is the more acute? As Comrade Stalin used to say "both are worse." As I have already pointed out, we have managed to deal with the threat of hyperinflation. But what to do about the slump in production? After all, it is not simply a matter of stopping it. The task is far more complex—namely, to produce a structural reorganization of the economy. We must put every effort into preventing excessive growth in unemployment. But without ruining the structural reorganization while so doing.

[Rytov] A new emotional outburst has been triggered by the increase in the rate of the dollar against the ruble [R]...

[Ulyukayev] Yes, the readers of our newspaper are entitled to ask what has happened? You promised to maintain the rate at the level of R80. While Aleksey Ulyukayev maintained that it could reach R40. And suddenly...

Let's look at what is really behind this. The first reason is the incredible level of inflation of the ruble—800 percent in the first eight months of this year. And the second reason is the narrowness of the Russian currency market.

With monthly exports worth $2.5-3 billion, a mere 200-250 million goes onto the currency market. Owners of currency cling to it, fearing further devaluation of the ruble.

And yet, I am convinced, the ruble has already begun to behave like every normal currency, whose rate follows the dynamics of inflation. The Ministry of the Economy's calculations show that inflation rates, as already mentioned, will be down to 7-8 percent by the end of the year. And that is a very important step in stabilizing the ruble and strengthening its position in the currency market. And in general it is the state of the organism that is important, not what temperature the thermometer indicates. And that state, as we have already noted, is becoming increasingly stable. New currency exchanges are opening in the regions. Foreign economic ties are being liberalized. All this will, in my view, drastically expand the currency market.

[Rytov] The most important issue affecting people's lives is food. Have we really managed to do without "heroic efforts" here? How do you regard the present state of agriculture? How much food can the country count upon? What foreign purchases are intended?

[Ulyukayev] Attempts have been made all year to scare us by saying that we were going to die of hunger at any moment. First it was predicted that we would fail to carry out the sowing. Then that we would fail to gather in the harvest. Then they said that the harvest had been gathered but that we would not be able to purchase the crop. And so on and so forth. However, each line of argument was destroyed by the subsequent one. And now we can see that we sowed more than last year, got a bigger yield than last year, and that the crop is being purchased normally. And what is not sold to the state will not disappear, it will remain on the farms and will be put to use.

And all this was done without "heroic efforts," without big pushes and last-minute rush work. We are getting roughly 97-98 million tonnes of grain. The figures speak for themselves. We cannot of course dispense with purchases abroad. This principally concerns sugar and vegetable oil. As far as grain purchases are concerned—I voice my personal opinion here—these could be somewhat reduced. You have specific, localized problems arising here, if one may put it that way. Supplying Moscow or St. Petersburg with bread, the provision of the Army, etc. The regions, however, should increasingly rely on their own efforts.

[Rytov] How are our economic (not political, but purely economic!) relations with CIS countries shaping up? Are we managing to restore our destroyed economic ties?

[Ulyukayev] Thousands of articles have been written about the destruction of economic ties. It was claimed that we would not be able to restore them. But a few months on, and the groaning about this has become markedly quieter. Ties are being restored—from the top and also from the bottom on the initiative of enterprises. The government's sole concern in this sphere is to regulate payment and settlement relations and thus ensure that enterprises enjoy the opportunity for free contacts with their partners. To this end intergovernmental agreements are being drawn up with a number of states in near foreign areas (Estonia, Uzbekistan, and Kazakhstan).

Of course, it is relatively simple with countries in the ruble zone. But the Central Bank of Russia has come up with pretty good methods for reciprocal settlements with states switching over to their own currency, too.

[Rytov] The government is often criticized for what are in its opponents' opinion mistaken approaches toward privatization. Could it not be the case after the denationalization of property that all the real power will remain in the hands of the "captains of industry," while the workers will end up, as one commentator elegantly put it, with just the shirt on their back?

[Ulyukayev] The privatization program adopted is not ideal. But we can waste no more time, we must move forward. And social accord in principle has been achieved in the approaches toward the methods and forms of privatization.

The point is that the R10,000 designated on the voucher is based on 1991 prices and thus reflects in terms of purchasing power not today's, but "yesterday's" money. They determine the value of the property undergoing privatization. Thus the real value of the voucher as of now is not R10,000, but from R120,000 to R200,000. Consequently a family of four will receive a sum of almost R1 million in today's prices. And even today that is not so little.

And a second factor must be borne in mind. As the process of privatization develops, another two stages of voucher allocation will follow. Probably for the same sum in "old" money.

True, the return on the vouchers depends entirely on how they are used and what shares they are invested in. If, for example, you invest them in a lossmaking company, you will be left without even the shirt you're wearing.

As for the "captains of industry," yes, the economic leaders will receive certain share-purchasing concessions. But we have done this deliberately. After all, the director now risks nothing, not even his salary, no matter how badly he runs the business. The situation will change radically if personal interest is generated in the business. And that is precisely what world practice shows.

New Russian Navy Appointments Announced

PM2209125392 Moscow KRASNAYA ZVEZDA in Russian 22 Sep 92 p 3

[Vladimir Maryukha report under the "Direct Line" rubric: "New Appointments in Russian Navy"]

[Text] Navy Press Center—In connection with the reduction of the Armed Forces and the transfer to the reserve of admirals and generals who have served out the set times, cadre changes have been made in the Russian Navy Command by order of the Russian Federation minister of defense. Admiral Valentin Selivanov has been appointed to the post of chief of the Navy Main Staff. Before the appointment he commanded Leningrad Naval Base.

The posts of deputy commander in chief of the Navy, to which Vice Admiral Georgiy Gurinov and Vice Admiral Vasiliy Yeremin have been appointed, have been introduced in connection with the reorganization of the Russian Defense Ministry being carried out under the military reform and are designed to ensure a clear-cut division of functions in the Navy's top command link. Vice Admiral Aleksandr Gorbunov has been appointed deputy commander in chief of the Navy and chief of the Navy Combat Training Directorate.

According to a report from the Navy Press Center, other cadre changes have been announced by order of the Russian Federation Defense Ministry, and the powers of certain chiefs and commanders of categories of the naval forces appointed earlier have been confirmed.

Kokoshin Visits Engineering Troops Institute

PM2109113092 Moscow KRASNAYA ZVEZDA in Russian 17 Sep 92 pp 1,3

[Report by Aleksandr Yegorov: "Dictated By Life. Our Common Task, According to A. Kokoshin, Is To Provide the Russian Army and Navy with Modern Equipment"]

[Text] As we reported before, on 15 September Russian Federation First Deputy Defense Minister Andrey Kokoshin visited the Engineering Troops' Scientific Research Institute. He acquainted himself with the institution's collective and with its scientific facilities and met with the directors and chief designers of engineering-orientated defense plants presenting examples of equipment they have developed.

It must be said that the meeting was dictated by life itself. As a result of the breakup of the USSR and the division of the Soviet Armed Forces the Russian engineering troops are having very serious problems obtaining many types of engineering equipment. Because a considerable proportion of the plants producing it are now on the territories of other republics. Since the Army's need for this equipment has not disappeared, it is necessary to decide what is going to happen in the future: Where will the particular types of equipment be produced and where will the money come from. The drastic reduction in appropriations for the purchase of armaments in 1992 has brought many plants, scientific research institutions, and design bureaus to the brink of extinction.

Concerning these and other questions, the first deputy defense minister said that the government had decided to somewhat increase the defense order for 1992 and to further increase the defense industry workers' pay fund by 13.6 billion rubles [R]. The Defense Ministry is doing all it can to optimize scientific research and experimental design work, to ensure the continuation of promising projects, and to keep experienced specialists and valuable scientists and designers at institutes and plants.

"Our main task," A. Kokoshin told the KRASNAYA ZVEZDA correspondent, "is to provide the developing Russian Armed Forces with modern equipment and armaments so that, thanks to their quality and enhanced effectiveness we will be able to manage with a smaller number of servicemen. It would be hard to overestimate the importance of the engineering troops in this matter. The engineering forces provide robots which can take the place of humans, for example, in mine-clearing operations, highly efficient excavators which can complete in an hour a job it would normally take an entire regiment to do, unique pontoons and river-crossing facilities, and so on.

"Moreover, the heads of enterprises producing engineering troops' equipment stressed the general-purpose nature of engineering equipment. It can be used by civilians, as well as by the Armed Forces. But few people outside the military department are even aware of the existence of many of the items.

"But we are making no secret of it these days and we are inviting all potential buyers of military engineering equipment to watch demonstrations," A. Kokoshin said.

And there certainly were things to see. Here are just a few of the "exhibits" on display. A powerful remote-control bulldozer capable of removing the top layer of contaminated land and confining spillage of toxic liquids and other aggressive agents. A percussion drilling machine, which performed splendidly during recovery work in the Armenian earthquake zone and which is capable of drilling deep wells and making four bore holes simultaneously, using a hammer action. The OPS-5 desalination station, which not only desalinates, but purifies badly polluted water to make it drinkable, using a totally new method. Highly effective bridgebuilding equipment enabling a group of workers to put a pile bridge across an average river in a matter of hours. And a whole family of highly productive road-building machines made by the Kirov plant.

On the same day First Deputy Defense Minister A. Kokoshin together with A. Piskunov, deputy chairman of the Russian Federation Supreme Soviet defense and security commission, went to another institute—the "Tochmash" central scientific research institute, which is world-famous primarily as a result of its development of the 5.45 mm range of Soviet Army rifles (based on the Kalashnikov assault rifle), the appearance of the first multibarrel guns, of which there is no equivalent anywhere else in the world, and developments in the sphere of "smart weapons" and means of countering them.

During the visit attention was focused on defining priorities for work on the development of individual and group weapons, further standardizing them, and stepping up efforts in the sphere of kitting out personnel and tackling other problems.

Continuing Role Seen for Tank Forces

PM1809150592 Moscow KRASNAYA ZVEZDA in Russian 12 Sep 92 p 3

[Major Aleksandr Yegorov article: "Russia's Tank Pool"]

[Excerpt] [passage omitted] If we recall the recent past—namely glasnost, which was proclaimed in connection with the start of perestroyka—then the time of fierce criticism of the Armed Forces in the mass media will surface, above all, in the memory of a military man. Tanks became the most popular "heroes" of many press articles. On the one hand there were demands for the people to be protected against the armored monster which keeps the world in fear. On the other hand there were demands for tanks to be turned into pins, because it was criminal to spend money on producing "yesterday's weapons" and "World War II dinosaurs." Both demanded that tanks be cut up. As many as possible and as quickly as possible.

The USSR tank pool became almost the embodiment of the monster-system. Military specialists, who in general were disputing not that it was time to reduce the pool of fighting vehicles but the fact that this must be done sensibly, were publicly reproached and held up as hawks of the military-industrial complex.

They were constantly being reminded: You have produced twice as many tanks as NATO, while the Pentagon has absolutely "no intention of ordering additional Abrams tanks after the completion in 1991 of the approved production program, (...) is in no hurry to create a new, fourth-generation tank to replace the Abrams, and is even announcing the cessation in 1989 of the allocation of funds to develop a new tank." That is the kind of militarists we are (Foreign Ministry journal MEZHDUNARODNAYA ZHIZN No. 11, 1988, V. Shlykov's article "Armor Is Strong").

The military specialists were accused of shortsightedness when they argued for holding on to all the sophisticated vehicles, while Britain and the FRG were held up as an example: "Britain is ending production of Challenger tanks in 1989 and the FRG is ending production of Leopard 2's in 1990." Moreover: "These two countries' Defense Ministries have no provision in their plans for adding new-generation tanks to the arsenal before the year 2000" (ibid).

The arguments of specialists who tried to demonstrate that things were not quite like that or not at all like that were rejected.

Meanwhile, the Union was signing one document after another that was known to be disadvantageous but was "necessary." For example, the Treaty on Conventional Armed Forces in Europe, which supposedly restored the equilibrium in conventional arms in Europe between NATO and the Warsaw Pact. It was clear even before that document was signed that the Warsaw Pact would disintegrate. And that equilibrium would evaporate on its disintegration. That is what happened. From the day when the Warsaw Pact's demise was solemnly announced, NATO had an advantage of 4,700 tanks. Just so. With the abolition of the USSR the gap widened still further.

Promising developments...

Ours has remained in Ukraine, in Kharkov. Contrary to MEZHDUNARODNAYA ZHIZN's assurances, at the end of 1990 the United States began drawing up a program to create an entire family of fighting vehicles and auxiliary armored vehicles (ASM) to meet requirements in the year 2000. It is proposed to spend $59 billion on this. If the program is implemented, approximately 6,000 new fighting vehicles will join the U.S. Army's arsenal, including the new Block III main battle tank.

As for the FRG and Britain, I will venture just one quotation from the fifth issue of the German journal TRUPPENDIENST for 1991:

"Despite the general trend in the world toward disarmament and the attempts to reduce forces' potential combat strength, work is in full swing in many states with developed tank industries (according to the journal, "in the United States and other NATO countries"—A.Ye.) to create new main tanks and to modernize fighting vehicles produced in the past."

Who benefited from the "refined" polemic in the Soviet press, which undoubtedly made a definite contribution to shaping public opinion? The Army, which was forced to maintain combat readiness almost by the "tank infantry" method? Or maybe the economy, which longs for transfusions from the military-industrial complex?

Fortunately, there are many military leaders who know how to counter unsubstantiated attacks both from the mass media and from people passing themselves off as expressing the people's interests, who know how to firmly implement and uphold a policy based on sober, objective calculations. They receive the support of politicians who think in truly state terms and who are able to see not imaginary but real prospects.

Colonel General A. Galkin, chief of the Russian Federation Defense Ministry Main Armor Directorate, whom I met on the eve of Tankmen's Day, believes that a certain positive shift toward the needs of the tank troops and the tank industry is already apparent.

"Today," the general said, "the Russian tank pool comprises machines of various generations: the T-55, the

T-62, the T-72, and the T-80. Only Russia has the latter, incidentally. To be absolutely accurate, in percentage terms the proportion of modern machines in our pool stands at 25 percent. But only the really modern ones: the T-72B and T-80. We have long regarded as obsolete the other modifications of the T-72 as well as other types of machines, and so they are not taken into consideration."

I also learned from my conversation with the main directorate chief that the overall situation in tank building, despite the incredibly difficult situation with regard to series production, is not at all hopeless. Funds have already been allocated for next year, and their volume will make it possible to carry out the necessary research and development.

"I cannot say that we have begun to rectify the situation decisively," Aleksandr Aleksandrovich remarked, "but the headlong plunge has been halted. This inspires confidence that, in creating a mobile and highly professional army, we will not make a serious mistake in determining the place and purpose of the tank troops. Because tank troops remain one of the chief categories of troops today. And not only in our Armed Forces. In other words, despite the difficulties of the times, we are obliged to think about the future. And thinking about it we are."

Supreme Soviet

Details of Supreme Council Presidium Proceedings

OW2109202292 Moscow INTERFAX in English 1845 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The results of the all-Russian conference of the leaders of councils and heads of administrations, as well as the first plenary meeting of the Interparliamentary Assembly of the CIS member-states in Bishkek were the top-priority issues considered by the Presidium of the Russian Supreme Council September 21.

The speaker of the Russian parliament Ruslan Khasbulatov said that "the work of the Interparliamentary Assembly of the CIS countries in Bishkek is a serious movement toward closer relations among the Commonwealth states". Khasbulatov noted that in Bishkek the idea of the Russian delegation about the possibility of moving toward a single CIS citizenship on the European Community model "has not met with the objections of any of the delegations from other states".

Then the Presidium discussed a draft agenda of the 5th session of the Supreme Council to open on Tuesday.

The discussion of the Presidium's draft resolution on the newspaper "IZVESTIYA" was once again postponed. This issue was not included in Monday's agenda of the Presidium. However, the speaker of the Council of the Republic Nikolay Ryabov, supported by Khasbulatov, insisted on its discussion. Chairman of the committee on mass media Vyacheslav Bragin categorically opposed. He said that "the Presidium not only has no the right to settle this dispute, but even to consider it". Bragin was supported by the first Deputy Chairman of the Supreme Council Sergey Filatov.

Khasbulatov Previews Supreme Soviet Session

LD2209084292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1450 GMT 21 Sep 92

[Interview with Supreme Soviet Chairman Ruslan Imranovich Khasbulatov by Lyudmila Telen; place, date not given; from the "Politika Studio" program—recorded]

[Text] [Telen] We are meeting on the eve of another session of the Russian Supreme Soviet, which naturally is the center of attention for many people. It will examine a colossal amount of issues, but the situation is such that the session could prove to be very complicated, and even, perhaps, not as productive as we would like.

Whatever the case, one thing is quite clear: The tasks facing the Russian Supreme Soviet are very serious and responsible. Another thing is also clear: It will not be easy to resolve these tasks, not only because our economic and political circumstances in Russia are complicated, but also because of the complexities of the situation within the parliament. Whether he likes it or not, the chairman of the Russian Supreme Soviet will be at the center of these events, as a politician, as an official and, of course, as a person.

So, Ruslan Imranovich, I suggest we start our conversation with the upcoming session of the Supreme Soviet. The draft law on the Russian Cabinet of Ministers, the amended government program, perhaps a draft constitution, and many, many other issues will be examined at the session. Moreover, some deputies view this with pessimism, and say that parliament is not in a fit state to adopt the relevant reforms and laws. Others, on the contrary, are optimistic. To which category do you belong?

[Khasbulatov] Well, I would like to greet our viewers, of course, our fellow citizens, and you, Lyudmila.

I would like to say straight away that I do not agree with these assumptions. The fact of the matter is that we must accustom ourselves to every session of the Supreme Soviet being both crucial and complicated. I see nothing out of the ordinary in this, nothing epoch-making, you know, that would determine the destiny of mankind. In general, it is time we got used to life taking its course, it does not depend on any specific person, it depends on the will of millions of people. For that reason, whatever pessimists there might be in the Russian parliament, and whatever optimists there might be, the decisions made will be the necessary ones, just as we have been making them for almost two and one-half years now.

Of course, I have to say straight away, as self-criticism, probably, that not all the decisions we have made have been the right ones, overall. I would not like to idealize the Supreme Soviet and its leaders, nor, of course, the chairman, who, of course, together with the president, bears the main responsibility to our fellow citizens.

Let us ultimately realize that in our homeland two top officials personally bear responsibility—the president of the Russian Federation and the chairman of the Supreme Soviet. There is no getting away from it. You have to accept it whether anyone likes it or not.

[Telen] Ruslan Imranovich, it is a good thing that you are an optimist! But there is another question. The session is to start with a discussion of very serious draft laws connected with reform. By all accounts, it is to begin with the Reform Group, the Reform Coalition, coming out with the initiative of asking the chairman to make a report at the session.

[Khasbulatov] What of it?

[Telen] Aside from that, as you will know....

[Khasbulatov, interrupting] What of it? I will deliver a report then. I was in favor of it myself, actually. I do not know what the deputies are going to think about it, but if I am required to deliver a report, it is not an issue. I am ready to deliver a report.

[Telen] What is your attitude to the fact that the committee for the media intends to make a statement proposing your resignation?

[Khasbulatov] Good heavens, how many such statements we have seen since 1990! So what? My attitude is very relaxed. I take it with a grain of salt!

[Telen] Ruslan Imranovich, I think you would agree with me nevertheless that this does to some extent create tension inside the Supreme Soviet and inside the Presidium. Do you not think that in this case, whether you wanted to or not, you made a mistake in creating a certain tension in the Supreme Soviet Presidium with your latest instructions?

[Khasbulatov] Ho, ho!

[Telen] You know what I am talking about!

[Khasbulatov] Of course it is not so. What are you saying? You know the constitution. Have you read Article 115?

[Telen] Naturally.

[Khasbulatov] As far as the constitution is concerned, the only person who signs instructions is the chairman of the Supreme Soviet. With my latest instruction I made it possible for the deputy chairmen under the supervision of the chairman, to sign certain executive instructions in the context of these powers. So there can naturally be no question of any tension created by the will of the chairman. But that is not the point. As I have said, and as the press secretary has declared, all my deputy chairmen enjoy my trust and will of course closely fulfill all instructions. I shall be able to ensure that!

[Telen] So you think it will not cause any dissension?

[Khasbulatov] Good heavens, no. But I would like to mention something else. You know, were it not for this petty point, they would naturally have thought of something else. I am even glad that this petty point emerged. Why should that be?

[Telen] Why should that be?

[Khasbulatov] I was hoping you would ask!

[Telen] Why should that be?

[Khasbulatov] First and foremost, my friends, my dear fellow countrymen, our economic affairs are going very badly. The economic reforms that the Gaydar government conceived are, of course, collapsing. Reforms are indeed under way. The processes of reform are very important. People realize that major transformations are needed. But, unfortunately, the latest of these actions—the issuing of vouchers—is completely distorting the essence of our law. In this connection I would single out the especially negative role of one minister, Comrade Chubays [deputy premier and chairman of the State Committee for the Management of State Property], who is blatantly ignoring laws adopted by the Supreme Soviet and foisting completely unprofessional, ill-considered things on us. Of course, this is understood by opponents.

[Telen] Whose opponents?

[Khasbulatov] Opponents of the Supreme Soviet leadership. My opponents who know full well that we are economists and that we know our way in this matter. So, to distract public opinion somehow, distract people from these most vital, most animated, most important questions, they are trying to create some kind of situation, an extra one—that is what it is all about.

[Telen] Ruslan Imranovich, in that case you are completely confirming with your words my apprehensions, and probably not mine alone, that the conflicts between the executive and legislative powers are by no means over.

[Khasbulatov] Well, first of all, I would like to tell you, and you know this just as well as I do, it is not a case of conflicts. Contradictions between the executive and legislative powers have always existed and always will, in democratic countries. We seem to have started out on the road to some kind of democratic reforms only two or three years ago. We have always had very strong executive power in Rus [ancient Russia] and in the Russian empire. But we never had representative power. Now representative power is taking its first timid steps, and straight away, what does it run up against? Straight away, it runs into immense pressure.

[Telen] Well, Ruslan Imranovich, I think you are exaggerating if you call yourself timid.

[Khasbulatov] How could you say such a thing! Of course, I find myself at the epicenter of this pressure, from all sides. It is obvious, people can see it, and feel it, during my trips to various regions of the country. But what I think is that, of course, representative power cannot go into retreat, it has no right to, it has its own constitutional rights.

It should control executive power and not be subordinate to it. So, I am not afraid of conflict. But I would like to tell you that literally a week ago we had a very serious conference in Cheboksary. This was, you know, the fourth conference of chairmen of supreme soviets and chairmen of oblast and kray soviets. For the first time we proposed—and Boris Nikolayevich immediately understood the constructive nature of this idea—that we hold it together. You know, I liked the conference.

First, the president's speech; well-considered, precise and clear, in which he said: Let us have an end to confrontation, an end to conflicts; we must think about people and live with their concerns. I did not see any speeches there, you know, by anyone on one side or the other who wanted conflicts. In other words, public opinion and people's feelings now are such that they will not allow such conflicts between the two powers, between these two powers to go beyond certain limits.

[Telen] But unfortunately, people do not have a mechanism with the help of which they could prevent these conflicts going beyond certain limits.

[Khasbulatov] They can. What do you mean? They very much can. For example, the deputies - I am certain that the deputies will gather now, fully prepared by their voters who did, incidentally, elect them. And incidentally, these constant hints and attempts by our press, including your respected newspaper, to say that it was such a long time ago that they were elected. This is all false. Have a look at this. In this brochure which I would like to present you with, I have written: To Lyudmila Telen from Khasbulatov. Here we, or rather I have written—not we, of course—that 11 of over 1,600 deputies, only 11 deputies were elected as the only candidate. Virtually all of them were elected in a tough competition and not a party-based one either. Now, when some idea is being hyped up that the political balance is being upset in the leadership of the Supreme Soviet, it is all nonsense.

[Telen] Allow me to ask you a completely specific question that presupposes, I hope, a specific answer, as has been the case up until now. It is said that there are at least three circumstances affecting the present difficult relations—something you would not deny—between legislative and executive power. The first of these is the absence of a democratic mechanism for settling conflicts: in other words, any disagreement brings both powers into deadlock and paralyzes their ability to work and their activity for a time.

The second thing—and you have already spoken about this and, as I understand it, you have refuted it—is the existence of deputies elected during a different historical epoch and even in a different country, and the work of the parliament with such deputies.

Finally, the third—and I have to call this a circumstance, because analysts, commentators, and ordinary people are saying much about it—is that no small role is played in this by the personal rivalry for influence over the president between the team of the Supreme Soviet's chairman on the one hand, and the team of Gennadiy Burbulis on the other hand. Which of these points would you regard as absolutely untrue and in which is their a grain of truth?

[Khasbulatov] I would say that all of your theses are probably right. To begin with, there are indeed no clearly defined mechanisms to resolve such conflicts. Personally, I have always believed for myself, and I would like to go back a little, to events of a year ago, at least, I have believed that if a vice-president disagrees with the president, there are ethical things recognized throughout the world, and he should resign. If a deputy chairman disagrees with the chairman, he should resign. That is the practice throughout the world. But why do we have this flawed morality, one asks? Do please tell me, where does it stem from, when plots are hatched, when scheming goes on? Look how complicated the situation in our country is at the moment. And what am I busy with? You can see for yourself, I am busy for the most part of my time putting down these squabbles, neutralizing the negative influences, reassuring people, the deputies, the population. I assert, fellow citizens, that you elected worthy people, and we will do our best, we are concerned about your problems.

As for the second circumstance, you are right to have named one of the president's closest coworkers, who of course exercises an exceptionally negative role both in domestic and in foreign policy. To be frank, I have had occasion to talk to the president about this. I used to speak to him about it, but I have stopped doing so. Of course, you have these constant attempts by this person to create a split in the Supreme Soviet, or even in the leadership of the Supreme Soviet. When I see such attempts to somehow debilitate and weaken the Supreme Soviet, to smash it, to subordinate it to some powerful hand that will again lead us to what we had before, for 70 years, for centuries, of course, I cannot reconcile myself to that.

[Telen] Ruslan Imranovich, I am afraid that in the present case the accusations which you are bringing against Gennadiy Burbulis....

[Khasbulatov, interrupting] I did not mention any names.

[Telen, continuing] ...cannot be disclaimed. Well, it was he you and I spoke about before, they cannot be disclaimed by him because he is not taking part in our conversation. Let us leave it at that.

[Khasbulatov] It was you who brought up the question in the first place. It was you who wanted frank answers, and you have got them.

[Telen] I am quite satisfied with your frank answer, but I am afraid that we cannot yet expect the ruling classes to establish some kind of peace. Ruslan Imranovich, why don't you tell us about the relationship between parliament and the presidential power and the president?

[Khasbulatov] With the president? I will tell you frankly that we have had good relations with the president and they remain so. We have just had a meeting, yes, we spoke frankly and I have always supported the president and his endeavors of a democratic nature. But the fact is, there is also a different tendency unfortunately. This is the attempt at some kind of autocratic resurgence. Frankly speaking this troubles me very seriously. Moreover, absurd attempts are made to say: Look there is Khasbulatov in parliament, the leader of the parliament is trying to usurp some kind of power.

Look, starting with British Parliament, has there ever been in any parliament some kind of autocratic undemocratic resurgence? The system itself, the machinery itself of parliament absolutely rules out that possibility.

[Telen] A poet in Russia is more than a poet. The chairman of the Supreme Soviet is more than a speaker. This is in fact true.

[Khasbulatov] Yes, really, I have here written it in this brochure which I am giving you: "Thoughts of a Speaker." Of course, I am not the speaker. I am chairman of the Supreme Soviet, and I invest this concept with the following meaning: Boris Nikolayevich as president manages all the executive power in the country and bears responsibility of course. I, as chairman of the Supreme Soviet, manage the whole system of legislative and representative power. But the concept of speaker is a very limited one. He sits and sometimes sleeps. When the sitting is over that is it for the day. As for the representative bodies, they are not his business.

[Telen] Do you think this structure is really the optimal one for us?

[Khasbulatov] At this stage it is the optimal one. At this stage. Why? Because after all we have to make a full transition to a normal democratic system. So far we have not made this transition. You may well know perfectly well yourself that we are virtually taking certain first steps along this path, the path of the really democratic transformation of the country.

[Telen] Difficult steps.

[Khasbulatov] Yes, very difficult indeed. But I am not prepared to say today that in our parliament there are some pronounced democrats or rightwingers. Do you know how much our parliament has changed? I do not really know by now—left-wingers became right-wingers, right-wingers became left-wingers.

[Telen] Does it not embarrass you that when the issue of your report was discussed it was your former opponents who took your side? I refer to Baburin and his faction.

[Khasbulatov] It does not embarrass me at all! Incidentally, speaking of Baburin, I do not wish to cause any kind of indignation. First, he is an intelligent man. Certainly, being young, he is somewhat prone to excessive excitability, somewhat short of self-control, sometimes he does not follow the rules of conduct which I would welcome. But at the same time I cannot—just cannot, you understand—help admitting his intelligence, his abilities. I think that he, like many others, realizes: if someone is destroying Khasbulatov, they are also destroying democracy, representative power, legislative power, and they want to drive us once again back to the yoke. People realize that.

[Telen] That is to say, you perceive the struggle against yourself as a struggle against the representative power, do you not?

[Khasbulatov] I believe that the struggle being conducted against me, conducted, mind you, with the use of quite dishonorable means.... [changes thought] The people who call themselves democrats resort to that practices that no one would ever dream of. Upon my word, it is just amazing!

[Telen] Ruslan Imranovich, let us talk about the legislative activities of the Supreme Soviet too. We know that 11 laws have been returned to the parliament by the president.

[Khasbulatov] Yes.

[Telen] Does it make the work of the parliament much more difficult?

[Khasbulatov] Oh no, it does not make it more difficult. I think that the parliament would of course confirm all the 11 laws. After all, you know, democracies have been about for centuries, whereas in this country, I repeat, a more or less normal representative power has only just emerged, or is just emerging, and even that with reservations. You do not wish to bring up this issue, but I will bring it up nonetheless—we shall certainly bring this so-called conflict with IZVESTIYA to a conclusion. The newspaper has quite consciously pursued its course of waging war on the Supreme Soviet. How can we tolerate this?

How can we allow such things? What sort of Supreme Soviet chairman would I be if I permit two, three, or four people of that collective to prevail over the Supreme Soviet, the country's top legislative authority? This will never happen.

[Telen] Ruslan Imranovich, in this case you may believe that every newspaper criticizing the Supreme Soviet is involved in some kind of a campaign against ....

[Khasbulatov, interrupting] This is not true, Lyudmila. But when there is a conscious policy of spreading disinformation throughout the world! Do you have any idea how harmful that newspaper has been to our society? Several trips—I discussed this with the president—to the States, and to Munich, (?meeting) with prime ministers, have not yielded any results. Why is that? Think why. Because the press, including IZVESTIYA, as it were, spread such information to the whole world.

[Telen] Are you accusing them of slander?

[Khasbulatov] No, (?they were saying) that there was a struggle there between the executive power and the legislative power, it was unclear who would win, the president's position was unstable, coups could may take place, and the like.

[Telen] Ruslan Imranovich, (?trying to overlap) laws of the press give us the freedom to make such forecasts.

[Khasbulatov] Now, listen, one must think, one must bear responsibility for what one says.

[Telen] In this case, however, all you can do is persuade, and, so to say, bring home to journalists your viewpoint, but not demand that a newspaper be closed.

[Khasbulatov] Am I demanding that the newspaper be closed?

[Telen] Well, then, be re-subordinated to the Supreme Soviet.

[Khasbulatov] No, not at all, I am not demanding re-subordination either. It is not what I am after. All I am saying, or demanding, is that the newspaper act within the framework of the law. It broke the law. Why don't they come up to us and say: We apologise, esteemed deputies. We have broken the law. What would you recommend to us? Instead, pressure is put against us, we are subjected to rude and offensive slanging matches and so on.

[Telen] I believe that there is no cause and effect relation of this kind. Anyway, as I understand, these cases are decided in court—in a law-governed state, that is.

[Khasbulatov] No, the supreme legislative body is entitled to solve any problem.

[Telen] Entitled to assume the functions of legal authorities?

[Khasbulatov] Why? We defined court laws ourselves, right?

[Telen] Right.

[Khasbulatov] We even defined the laws for the Constitutional Court that annuls our own decisions!

[Telen] So, you believe that you first define laws, and then alter them in accordance with changing circumstances?

[Khasbulatov] Lyudmila, you will lose ground here. I am a lawyer too; you know that.

[Telen] You have not answered my question, though. So, you adopted laws. Now you are prepared to alter them, depending on the changing circumstances.

[Telen]. But of course, how can it be otherwise?

[Telen] In this case we, rank-and-file citizens, have no rights at all.

[Khasbulatov] You should be ready, in all fairness, to the fact that we will introduce very serious changes into the law on the press as well, and should take it with calm. Is this news to you?

[Telen] I might have guessed that this was the case.

[Khasbulatov] What do guesses have to do with it? I am telling you frankly that we will not tolerate such behavior. Power in this country is hanging by a thread as it is, by a thread.

[Telen] Ruslan Imranovich, what you are saying is sad because in a democratic state the strength and effectiveness of one authority presupposes the strength and effectiveness of the other one. Any infringement on the press—and you know this from your own and our recent experience....

[Khasbulatov, interrupting] We will not permit any infringement; I assure you that the chairman of the Supreme Soviet will not permit any infringement.

[Telen] I will go over to, perhaps, a more pleasant part of our conversation. First of all, on behalf of the Ostankino television company and myself, I would like to congratulate you on your election as chairman of the Interparliamentary Assembly of CIS member states. This is a very high post but, at the same time, I think that it will not make your life easier because it is a difficult business and, perhaps, an almost impossible burden. Taking this post, do you believe that the Interparliamentary Assembly will work, or is Ukraine's abstention an alarming symptom and bad omen in the beginning of the path which says that this body can simply become a formal body within the CIS framework?

[Khasbulatov] Thank you very much for the congratulations. Of course, I regard this as great honor for myself personally. But I would like to tell our compatriots that, of course, this is great trust shown, first of all, in Russia, the Russian Federation and our Supreme Soviet. We even agreed, as an initial step, perhaps, regarding the countries which signed these accords—and we adopted a good deal of serious agreements there—to set up, perhaps, an oversight council at the Central Bank.

[Telen] Anyway, as long as the ruble zone remains.

[Khasbulatov] Of course it remains. They are suffering and very seriously at that. You know, we are pushing.

[Telen] They are suffering, and we are suffering, as I see it.

[Khasbulatov] Yes, we are suffering, too. You know, by our poorly thought-out financial credit bank activities we force them to embark upon the path of separatism, even those states which do not want this. One has to consult with them, what do you think? Of course, one has to consult with them. There is a basis for this, there is a striving toward some kind of new rapprochement but on an equal and voluntary basis.

[Telen] Here is my last question, perhaps. Eighteen months ago or, perhaps, more we had a conversation for the MOSKOVSKIYE NOVOSTI newspaper. At the time you held the post of first deputy chairman, and it was for you a totally new thing after your professorial duties. You described how complex, difficult and responsible—I hate to use the trite word responsible but it is quite apt here—your work was. I asked you an informal question whether you had nightmares. You answered: Not yet, I go to bed without sleeping pills and wake up without headache. I would like to ask you this question once again, with your permission.

[Khasbulatov] No, in fact, I have to tell you that I probably have a fairly sound nervous system. I do not have any lurid nightmares. I can fall asleep without the assistance of pills. There are no nightmares, but there is concern in my heart, great worry and pain. This worry is for people's fates, especially, you know, when one sees that one is unable to render any tangible help. This is a dreadful feeling, you know. Honestly, it is such a strong feeling; it is hard to respond to in just one way.

Does Not Rule Out Debate on Private Land

OW2109141292 Moscow INTERFAX in English 1342 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] Chairman of the Russian Parliament Ruslan Khasbulatov told IF [INTERFAX] that the parliament may discuss the prospect of recognizing private ownership of the land, if such a question is raised during the forthcoming session, and said that he has always supported such an approach. He noted, however, that "individual limitations should remain to keep the fertile fields in operation and to exclude land speculation".

Ruslan Khasbulatov also said that he was not at all discouraged by the fact that some of the factions intended to demand his resignation.

Asked about the introduction of the post of vice-premier for agriculture, he told IF that such a post might be useful, but refused to give any names, saying that he preferred not to interfere in the government's affairs.

Assessing the possibility of Gaydar's becoming prime minister, Khasbulatov said that it was "difficult to make any forecasts now" and added that everything will depend on the deputies.

He said he could not support Boris Yeltsin's proposal to put the Central Bank of Russia under the government's control. "Under the parliament's control this bank will become a strong instrument of exercising control over the executive authority," he said.

Parliamentary Groups To Call for Speaker To Quit

OW2109135092 Moscow INTERFAX in English 1048 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] RF [Russian Federation] Supreme Soviet Committees on Media and Human Rights intend to demand including into the agenda of the Russian Parliament's session, opening on September 22, Tuesday, a speech by the parliament's Chairman Ruslan Khasbulatov to account for his activity before legislators. This was announced by the Chairman of the Committee on Media Vyacheslav Bragin at the parliamentary hearings held at the RF House of Councils in Moscow on Monday to analyze parliamentary activity.

Last week, the parliamentary committees voiced non-confidence in Mr. Khasbulatov following his issuance of a number of instructions, dismissed by law makers as illegal.

The organizing committee of a parliamentary coalition of reform had decided to start a campaign for Khasbulatov's resignation as Supreme Soviet Chairman. Its decision was circulated among participants in the parliamentary hearings. The organizing committee concluded that by "concentrating power in his hands and in the hands of his apparatus clearly in violation of article 115 of the RF Constitution and by such a wide range of power functions, the Supreme Soviet chairman establishes personal power regime thereby".

Expect Bid To Topple Government

OW2109141492 Moscow INTERFAX in English 1343 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] During the session of the Russian Parliament, to begin on September 22, some of the MPs will launch an attack on the government and president to remove them from power, Coordinator of the Radical Democrats faction Sergey Yushenkov, told IF [INTERFAX]. He expressed doubt, however, that the idea of resignation might find sufficient support in parliament.

Yushenkov said that the "opposition has a chance of convening an emergency congress to raise the question of the president's and cabinet's resignation". This is due to the fact that quite a few deputies sharing the centrist views are disappointed with the government," he said.

Coordinator of the Communists of Russia faction Ivan Rybkin told IF that his faction will resolutely demand reorganization and even resignation of the government. "The government must be strengthened by professional administrators," he noted. He also believes that the parliament and the president should work out a joint programme for the second stage of the reform and shape a government capable of carrying it through. He said he doubted any serious attack will be made on the president by the MPs. In the time of troubles Boris Yeltsin symbolizes national unity, he said.

Vladimir Isakov, a leader of the opposition faction, Russian Unity, believes that the Democratic Russia faction will "try to split the deputies' corps to discredit the parliament. The Russian Unity will insist on including the government's report on its activity and the president's report on the use of additional powers granted to him, in the session's agenda.

Isakov is convinced that the government's report will demonstrate that the cabinet is incapable of implementing the reforms any further. He also believes that most of the deputies will oppose Yegor Gaydar's appointment to the post of Russia's prime-minister.

Civic Union Opposes Early Calling of Congress

LD2109163792 Moscow ITAR-TASS in English
1537 GMT 21 Sep 92

[By ITAR-TASS correspondent Lyudmila Alexandrova]

[Text] Moscow September 21 TASS—The opposition Civic Union has opposed an early convocation of the Congress of Russian People's Deputies as demanded by several opposition parliamentary factions.

The union has also approved the main guidelines of an alternative anti-crisis programme.

The union said an early convocation of the congress would be very untimely, adding that the president can make changes to the governmental economic reform programme without consent of the congress.

The union created this past summer incorporates the popular party Free Russia, the Democratic Party Russia, the All-Russia Union Renovation and several parliamentary factions and youth organisations.

The union calls for urgent measures to stop the impoverishment of the country, prevent mass unemployment and de-industrialisation of the country and strengthen the rouble.

Fifth Session of Supreme Soviet Opens in Moscow

Demonstrators Gather

OW2209105392 Moscow INTERFAX in English
1006 GMT 22 Sep 92

[Following item transmitted via KYODO]

[Text] Representatives of the pro-communist "Working Russia" organization and of the Democratic Russia alliance, opposed to it, placed pickets in front of the parliament building today as the Russian MPs were gathering for the session which opened today.

The picketers of the Working Russia organization demand the resignation of the president and government, the release of the Emergency Committee members from prison, and the preservation of Russia's sovereignty over the Kuril Islands.

Viktor Ampilov, the leader of the Working Russia organization, told IF [INTERFAX] that the goal of the action was to express protest against what he called forced capitalization of Russia. His organization also campaigns for an open trial of the Emergency Committee members, involving Mikhail Gorbachev and Boris Yeltsin who may "turn from witnesses to defendants".

Picketers representing the Democratic Russia movement expressed support for Yeltsin's and Gaydar's reforms and demanded the resignation of Speaker Ruslan Khasbulatov. Muscovite Zinaida Morozova, an organizer of the Democratic Russia's picket, told IF that she and her supporters consider Khasbulatov a traitor who wants to usurp power and place himself higher than the president.

Deputies Approve Agenda

LD2209104592 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 0800 GMT 22 Sep 92

[Text] The Russian Federation's parliament has once again gathered in Moscow today following the recess. The fifth session of the Supreme Soviet was opened by its chairman, Ruslan Khasbulatov. He briefed deputies about the events that have taken place in Russia during the parliamentary recess, specifically the conference of leaders of representative and executive authorities in the republics, krays, oblasts, and autonomous areas which took place in Cheboksary, the CIS interparliamentary state assembly in Bishkek. On events in Abkhazia, Ruslan Khasbulatov said that two soviets—the Supreme Soviet of Adygeya and the Krasnodar oblast [as heard] Soviet—had submitted a request that this issue be considered urgently at the session.

The parliament is sitting in a refurbished hall today. A new electronic voting system has also been put in. Familiarization with this system and discussion of it took up a considerable part of the time of the morning session.

Deputies then proceeded to debate the agenda put forward by the Presidium and approved it as a basis. One of the first issues to be considered today by the Supreme Soviet is that of the social and economic situation in the country. A report on this is to be delivered by Yegor Gaydar, acting chairman of the government.

Gaydar Addresses Session

LD2209155492 Moscow ITAR-TASS in English 1412 GMT 22 Sep 92

[Text] Moscow September 22 TASS—The Central Bank of Russia has suspended credits to Ukraine until the governments of the two states reach an agreement on mutual payments for goods supplies, acting Russian Prime Minister Yegor Gaydar said in the Russian parliament on Tuesday [22 September].

Gaydar said the move had been prompted by the worsening financial situation in the country caused by imbalances in money supplies, uncontrolled issuing of credits and unsettlement of mutual payments between Ukraine and Russia.

Gaydar stressed the need to "look for ways to boost exports of Ukrainian goods and lift restrictions so that Ukraine could receive the necessary financial resources to continue normal trade with Russia."

Asked whether the transfer of Russian arms to former Soviet republics may further distabilise the situation in some regions, Gaydar stressed that the mechanism for arms transfer is based on decisions adopted long before the creation of the Russian Defence Ministry. He admitted, however, that some of those decisions were "potentially dangerous."

He said Russia was trying to pursue a well balanced policy as regards Armenia and Azerbaijan in order not to ruin the balance of forces in the region.

Asked about the essence of the soonest government-proclaimed toughening of the credit policy, Gaydar said "this will primarily mean the reduction of rates of the monetary mass growth in comparison with the maximum high level that shaped up in July-August, 1992, and, thus, the reduction of monthly volumes of the state budget deficit."

In order to achieve these goals, it is necessary "to enhance control over the immobilization of the credit resources allocated for specific purposes—the sowing, harvesting, goods delivery—in northern areas, so that they were not involved in the circulation and not used for the deterioration of inflation processes," said Gaydar.

It is also necessary to provide for general reduction of the state budget spending and remove from it the articles that can be removed for the sake of economy's salvation.

Asked whether the government expects an inflation outburst from the possible discharge of privatization vouchers into the market, the acting prime minister said this process is, unfortunately, inevitable.

In his opinion, part of the population will sell the vouchers and will use the proceeds for buying prime necessities. But these are the markets of goods where the price dynamics has been set by the new prices on the 1992 harvest, and they cannot be changed. Thus, Gaydar believes, a sharp inflation outburst can hardly be expected in this connection.

Gaydar Speaks on Economic Situation

OW2209133592 Moscow INTERFAX in English 1259 GMT 22 Sep 92

[Following item transmitted via KYODO]

[Text] Speaking at the current Supreme Soviet session, acting Russian Prime Minister Yegor Gaydar said that, during the first eight months of this year, industrial production in Russia dwindled by 16.6% by comparison with the same period last year. The fall may reach 20% by the end of the year.

The state budget deficit, Gaydar said, amounted 101.3 billion rubles during the first six months of the year, and had reached 800 billion by September. "This is the limit," he said. The crisis, in his opinion, can be surmounted by cutting down expenditures on agriculture, salaries for government employees, and defense.

As for this year's grain harvest, this, according to Gaydar, will reach 96 million tonnes, ie 7 million tonnes more than last year.

The prices, Gaydar went on, rose by a factor of 15.6 between August 1, 1991, and August 1, 1992, whereas wages increased a little more than 10 times over during the same period. Consumption, he said, is today at the 1970s USSR level. About 13 million people live beyond the poverty line which is his definition for a monthly per capita income of less than 1,200 rubles. He warned that the prices of animal produce and bread are soon to rise further.

For a more detailed account of Gaydar's speech see today's issue of the Presidential Bulletin.

Regional Affairs

Chechen Official Urges Recognition From Russia

LD2209083492 Moscow ITAR-TASS in English 0811 GMT 22 Sep 92

[Report by ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy September 22 TASS—New Chechen Foreign Minister Shamsudin Yusef has said that the newly independent republic will find it hard to talk to other nations unless Russia extends political recognition to the Chechen republic.

He was speaking before flying to Moscow to meet Russian Vice President Aleksander Rutskoy, Russian State Secretary Gennadiy Burbulis and other officials.

In an exclusive interview with ITAR-TASS, the Chechen foreign minister said:

"I am confident that the Chechen republic will eventually be recognised a fully-fledged member of the world community. But we are extremely closely integrated in the sphere of the Russian Federation's influence in the economic, political and human areas and would like Russia to be the first to recognise the sovereignty of our republic," the minister said.

Shamsudin Yusef was born into the family of members of the Chechen diaspora in Jordan in 1941. He was educated in Jordan and Saudi Arabia as an engineer, although he did not get a diploma. He speaks Chechen, Arabic and English, and has a working command of French. He does not know a word of Russian. Until recently he was doing business in Middle East countries.

Chechen Volunteers in Abkhazia To Be Sent Home

OW2109200392 Moscow INTERFAX in English 1705 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] Chechen volunteers who participated in the military activities in Abkhazia will be sent home from the conflict zone in Chechen by Russian Air Force helicopters. This was reported to INTERFAX by Deputy of the Chechen Parliament Ibragim Suleymenov, who recently returned from negotiations in Moscow with the Russian defense minister.

Chechen Government Bans Public Gatherings

OW1809135192 Moscow INTERFAX in English 1313 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] Parliament in the Chechen republic has imposed a ban on mass public or political activities such as strikes, rallies, marches and pickets until "the Russian Federation lifts blockade around the republic.

Its resolution says the measure is aimed to "ensure adequate protection of the country's independence and rule out the possibility of provocation at public places".

Article Examines Chechen Military Appointment

MK1909113392 Moscow NEZAVISIMAYA GAZETA in Russian 18 Sep 92 p 3

[NEGA report: "Checheniya"]

[Text] By a decree of Chechen Republic President Dudayev, Vakha Turpulkhanov, chief of the republic border troops, has been appointed deputy commander in chief and chief of staff of the Confederation of Caucasus Mountain Peoples [CCMP] joint armed forces. The reason for the new appointment in the republic's armed forces is obviously the incident on the Dagestan-Chechen border, when a real threat emerged of a clash between Russian Ministry of Internal Affairs special subunits and a 20,000-strong home guard hastily formed on the initiative of Salman Raduyev, prefect of the Chechen Republic's Gudermesskiy Rayon.

It can be assumed that in the event of the introduction of Russian troops into Chechen Dudayev's government intends to use not only the Chechen Republic Armed Forces to defend the republic but also the CCMP formations which acquitted themselves well in Abkhazia.

Tatar President Views Talks With Yeltsin

MK1709113792 Moscow NEZAVISIMAYA GAZETA in Russian 17 Sep 92 p 1

[Interview with Tatar President Mintimer Shaymiyev by Radik Batyrshin in Moscow on 15 September under "Negotiations" rubric: "Yeltsin and Shaymiyev Understand One Another. Russia Will Assist Conversion in Tatarstan"—first paragraph is introduction]

[Text] A meeting between Tatarstan President Mintimer Shaymiyev and Russian President Boris Yeltsin was held 15 September in Moscow. After the talks had ended, Mintimer Shaymiyev gave an interview to your NEZAVISIMAYA GAZETA correspondent.

[Batyrshin] Will your meeting speed the conclusion of the treaty between Tatarstan and Russia?

[Shaymiyev] With every passing day we are closer to the concluding stage, but differences still remain. That is why Boris Yeltsin and I have agreed to instruct official delegations to eliminate these differences as far as possible. It is possible that we will not manage to remove all differing interpretations, but they should be reduced to a minimum. And then the draft treaty will be submitted for examination by the Russian and Tatar presidents. Particular attention was paid to economics at this meeting: the conversion of major enterprises, particularly in the shipbuilding sector; and the problems of the agro-industrial complex were also discussed. We examined separately the problem of the joint construction of the Yelabuzhskiy Automobile Plant [YelAZ]. Yeltsin has given the government instructions concerning conversion and the construction of the YelAZ plant and certain problems of the agro-industrial complex.

[Batyrshin] What scale of assistance to the conversion of Tatarstan's enterprises and the construction of the YelAZ plant does the Russian Federation president stipulate in his instructions?

[Shaymiyev] We need 1.5 billion rubles for this purpose this year.

[Batyrshin] Can we assume that these investments will be the result of your visit to Moscow?

[Shaymiyev] I would not assess it in terms of money. The main thing that was reaffirmed was the mutual understanding that exists between myself and the president of the Russian Federation. Despite the rapidly changing times, relations between Boris Yeltsin and me remain unchanged.

[Batyrshin] You have repeatedly stressed your mutual understanding with Boris Yeltsin. But does it exist at government level?

[Shaymiyev] Naturally not all problems are resolved at once—life is not like that—but I believe that the Russian president's instructions will be carried out. And if something somewhere does not work, this does not mean that there is some kind of prejudice against Tatarstan; it is merely indicative of the period of improvement for the Russian executive organs.

[Batyrshin] Was Boris Yeltsin not displeased at Tatarstan's increased activity in emerging into the outside world?

[Shaymiyev] I have not heard any reproaches.

[Batyrshin] Was the sensational statement made by the leaders of Bashkortostan, Tatarstan, and the Sakha Republic protesting the Russian Federation Supreme Soviet resolution of 17 July 1992 broached at your meeting?

[Shaymiyev] No. Because a temporary agreement on budget questions has been signed between the governments of our republic and of Russia.

[Batyrshin] So when will the treaty be signed?

[Shaymiyev] I think it should be signed this year.

Moscow Mayor on Stabilizing Bread, Milk Prices

OW1909154092 Moscow INTERFAX in English 1517 GMT 19 Sep 92

[Following item transmitted via KYODO]

[Text] The forthcoming price-rise on energy and fuel will cause prices on transport and consumer goods to rise, too. However, the Moscow authorities will try to keep prices on bread and milk at the current level at the expense of subsidies from the city budget, Moscow Mayor Yuriy Luzhkov told IF [INTERFAX] in an exclusive interview.

Commenting on the recent price-rise on fuel and energy, he said that the Russian government had no alternative. Luzhkov explained the necessity to raise prices by the fact that spending on the production of energy and fuel exceeded revenues from their sale. He said that the price rise was spurred by the Russian government's taxing policy.

Luzhkov urged the Russian government to "find ways of slowing down the price-rise" and added that a super-inflatory economy has no future.

Moscow Oblast: Grain Reserves for Only 20 Days

PM1809084592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 16 Sep 92

[Report by A. Artsibashev and Yu. Ozerskiy in Moscow Oblast; from the "Novosti" newscast—recorded]

[Text] [Artsibashev] Despite optimistic forecasts about stable food supplies for the population during the coming winter, both urban and rural dwellers have more than enough grounds for alarm. The pace of the harvest and of grain, potato, and vegetable purchases is causing concern. Against the forecast gross harvest of grain of some 110 million tonnes, only just over 16 million tonnes have been delivered to granaries. This is not a new problem, of course. In order to live reasonably well, we must have at least 130 to 135 million tonnes of grain. In reality grain production over the past 20 years averaged only 100 million. Furthermore, there is evidence of a sharp downward trend. The area sown to grain has been reduced by 16 million hectares over this period. Many valuable strains are no longer grown. Output quality has deteriorated. In a number of rayons in Rostov, Saratov, and some other oblasts flour from locally grown grain is no longer suitable for bread baking. The dough is too runny. Everyone is clamoring for imported grain. Yet the flow of hard currency has dried up.

Is work here essentially paralyzed?

[V. Pechenov, director of Ramenskoye grain product combine] Paralyzed is not the right word. We have no idea what's coming tomorrow. It is an outrageous situation. Moscow Oblast needs around two million tonnes of grain for mixed feed alone, and around 700,000; 800,000; or one million tonnes of grain for flour. Only around 150,000 tonnes of grain have been delivered from the whole of Moscow Oblast. Our silo alone can hold some 200,000 tonnes of grain. Take a look at it. Deliveries from the whole of Moscow Oblast would fit into our grain silo. Naturally we do not have enough grain. Our 35,000 tonnes are sufficient for just one month, or more precisely 20 days exactly.

[Artsibashev] It is perfectly obvious that we cannot go on living like this. Having to tour the world every year cap in hand is not just expensive and ruinous, it is also humiliating for a great power, for a great nation. Russia must regain its former glory as a grain-growing country. All the prerequisites for this exist.

Kuzbass, Moscow Sign Economic Cooperation Accord

LD2209032392 Moscow Radio Rossii Network in Russian 0900 GMT 17 Sep 92

[Text] The Kuzbass Administration and the Moscow Government have signed an agreement on economic cooperation. ITAR-TASS reports that Muscovites will deliver cars, machine-tools, and equipment in exchange for coal, metal, electronic equipment, and potatoes.

Kazan Government Bans Tatarstan Food Exports

OW2009131292 Moscow INTERFAX in English 1243 GMT 20 Sep 92

[Following item transmitted via KYODO]

[Text] The exports of all kinds of grain, potatoes, vegetables and products of their processing from Tatarstan are banned. The government in Kazan took this decision in connection with "limited food resources and for the purpose of protecting the interests of the population".

Radioactive Contamination Found in Khabarovsk

LD2209065192 Moscow Mayak Radio Network in Russian 0600 GMT 22 Sep 92

[Text] Experts have begun clearing a patch of radioactive contamination discovered on the premises of a military sanatorium in (Bogdanovka), a suburb of Khabarovsk. The intensity of the radiation at some points here reaches 0.6 roentgens per hour, exceeding the local background radiation level by 30,000 times.

Mariy El Leader on Ties With Russia, Cooperation

MK1909100792 Moscow NEZAVISIMAYA GAZETA in Russian 18 Sep 92 p 3

[Interview with Mariy El President Vladislav Zotin by Dmitriy Zhdannikov under "Russian Federation" rubric; place and date not given: "First Friendship Treaty Within Russia. Mariy El President Vladislav Zotin Believes Republic's Foreign Policy Has Been Activated"]

[Text] [Zhdannikov] Tatarstan and Mariy El are signing a treaty "On Friendship and Cooperation" 18 September. What are the its basic positions and its significance for your republic?

[Zotin] First of all, our treaty with Tatarstan is the first "Friendship and Cooperation" treaty within Russia.

Relations between our republics have always been good-neighborly, regardless of any political changes. Even when the Tatar authorities tried to establish customs posts on their borders with other republics, the idea of establishing a customs post on the border with us did not once arise. We would like to consolidate friendly relations of precisely this type in the new situation. Particularly since it is easier to build new programs today by pooling money and ideas. Together with Tatarstan we are forming enterprises on a shared basis, particularly in the timber and petroleum industries. The conditions for developing the Tatar and Mariy El diasporas will also be stipulated. In Mariy El concentrations of Tatars are found in Paranginskiy Rayon, and Mariytsy live in several areas of Tataria. Both sides are certainly interested in mutual attention being paid to both these groups, each on its own territory.

[Zhdannikov] What are your impressions of the recent meeting of the leaders of soviets of the republics, krays, and oblasts within the Russian Federation and representatives of executive power, with the participation of President Boris Yeltsin?

[Zotin] The main task was to clarify the relationship between the legislative and executive powers. We have no such problem—there are normal relations between the president and the government in our republic, particularly since in many of our cities a power structure has taken shape whereby frequently the administration heads have simultaneously been the leaders of the soviets. We do not support the idea of holding elections in December of this year either, and you can always reach agreement with deputies about those who are not coping with their commitments.

[Zhdannikov] What has changed in relations between your republic and the Russian center since the signing of the Federation Treaty?

[Zotin] We believe that the mechanism for implementing the Federation Treaty must be made more precise; it still needs work done on it. However, the political and economic situation in Mariy El is such that we will stay in Russia whatever happens.

[Zhdannikov] What stage has the process of dividing property into republic and federal property now reached in your republic?

[Zotin] We will put the finishing touches to this process, which is practically concluded, at a routine session 3 November. If the collectives want to be placed under different jurisdiction, we will not object. Thus, for example, the transport workers wanted to come under federal control, while many enterprises in the defense complex are asking to be placed under the republic's control.

[Zhdannikov] How strong is the military-industrial complex in your republic?

[Zotin] Unfortunately, it is not strong. This is a pity, strange as it may seem. At one time, defense enterprises in the republic provided 82 percent of the overall industrial output, and we were too hasty with conversion without having the resources for it. The complex is in a difficult position, a number of enterprises are standing idle, and people have found themselves taking compulsory leave.

[Zhdannikov] Is it true that Mariy El's foreign policy is mainly geared to cooperation with the Finno-Ugric peoples?

[Zotin] The republic's foreign policy has recently become exceedingly active. Literally not a day goes by without my meeting with representatives of firms from various countries. The geographical situation today extends from China to America. However, it is true that we give preference mainly to the friendly Finno-Ugric peoples, who are ethnically and culturally close to us. We have not only concluded treaties on the formation of joint enterprises with Finland, Estonia, and Hungary, but also full agreements on economic cooperation. Admittedly, the republic parliament's protracted ban on land ownership is frequently a stumbling block to economic cooperation.

[Zhdannikov] Does the parliament intend to review this decision?

[Zotin] Parliament has recently somewhat changed its stance following President Yeltsin's decree on the sale of land. But I believe that parliament will change its decision once and for all in the near future—we cannot remain the only people in the Russian Federation who prohibit private ownership of land.

Moscow Halts 'Veteran' Stores Privatization

OW1709213692 Moscow INTERFAX in English 1658 GMT 17 Sep 92

[Following item transmitted via KYODO]

[Text] The privatization of "Veteran" stores in the capital (a system of retail outlets for veterans) has been halted. This decision was made due to the fact that in the future these will be the stores to handle municipal retail trade for the most defenseless members of the population, providing them with the minimum goods needed to live.

There are 78 such stores in Moscow. According to a decision by the Moscow government, the stores have been given to the Committee on Social Welfare. But 38 of the stores have already been privatized. This does not mean, however, that there will be fewer "Veteran" stores, since only the buildings and warehouses were sold; the Committee will be supplied with new buildings. Such stores may be rented at operational cost.

Group in Dagestan To Discuss Aid, Conversion

PM1809083592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 16 Sep 92

[Report by D. Beybutov and Y. Korovkin; from the "Novosti" newscast]

[Text] [Beybutov] Dagestan, like other regions—and especially as the Russian Federation's southernmost republic—is acutely aware of both its own domestic problems and the problems of the country as a whole. But there is some hope of an improvement in the situation. So the Russian Government delegation's main aim will be to discuss in detail how to carry out the program of socioeconomic aid to Dagestan envisaged by Russian President Boris Yeltsin's special decree. It will also be discussing questions of conversion, transport, and other issues. These were thoroughly covered at a conference at the republic's Council of Ministers chaired by Georgiy Stepanovich Khizha. The Russian Federation deputy premier together with Magomed Ali Magomedov, chairman of the Dagestan Supreme Soviet, and Abdurazak Mirzabekov, chairman of the Dagestan Council of Ministers, visited enterprises in Kaspiysk which are undergoing conversion—the "Dagdizel" and precision mechanics plants.

Orel Oblast Moves To Restrict Potato Exports

PM1709134392 Moscow IZVESTIYA in Russian 15 Sep 92 Morning Edition p 2

[Vladimir Kulagin report: "It Is Prohibited To Export Potatoes From Orel Oblast"]

[Text] Orel—Nikolay Yudin, acting head of Orel Oblast Administration, has issued an ordinance banning the export of potatoes from the oblast.

This document is formally backed up by regulations on the utilization and export of potatoes, root crops, onions, and other root [okorenelyy] plants from zones where potato canker, nematodes, and colorado beetles are widespread, so as to prevent the spread of these quarantine diseases and plant pests. Essentially, however, this is none other than a desire to close channels for free trade in the "second grain" grown by peasants in collective fields and private plots.

For more than four decades now Colorado potato beetles have been roaming the potato fields of not only Russia but also Ukraine and Belarus. Phytophthora and nematodes are, unfortunately, just as widespread diseases of this crop as smut in rye.

True, the same ordinance by the chief administrator of Orel Oblast states that procurement workers, collective farms, private farmers, and owners of private plots may export potatoes from the oblast, but only if there is a quarantine certificate. Otherwise the commodity will be confiscated by militia posts and handed over to procurement workers at purchase prices.

This is probably the chief secret of the latest ban on free trade in potatoes: The procurement prices, as a rule, do not exceed 7 or 8 rubles [R] per kilogram, while market prices have already topped R12.

Finally, a potato grower can obtain a certificate only from the plant quarantine inspectorate. But this organization has to cover the whole oblast on its own.

Bashkir Farmers Fail To Deliver Grain

PM1709133592 Moscow ROSSIYSKAYA GAZETA in Russian 15 Sep 92 First Edition p 1

[Report from correspondent, agency column: "No Grain To Be Had"]

[Text] Farmers are refusing to deliver grain to state stores.

Nothing like it has been seen in Bashkiria: The harvest is nearly over, the grain is on the threshing floor, but it is not getting to state stores. The vast storage facilities employing thousands of people are running at idle, merely consuming electricity. Only 600,000 of the planned 1.3 million tonnes have been delivered, although prices, because of local subsidies, are considerably higher than in other regions of Russia.

Parliamentary Elections Postponed in Ingushetiya

OW2109193692 Moscow INTERFAX in English 1707 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] Elections to the Supreme Soviet will not take place in the republic of Ingushetiya until its territory and borders become defined. This decision was reached Monday [21 September] by the Presidium of the Supreme Soviet of the Russian Federation.

The Russian government assigned a state commission to quickly begin working to prepare legal documents and define the borders of the Republic of Ingushetiya. The results of the commission's work will be reported to the Presidium of the Russian Federation Supreme Soviet by October 20, 1992.

Yeltsin Appoints New Yaroslavl Oblast Chief

PM2109143192 Moscow ROSSIYSKAYA GAZETA in Russian 16 Sep 92 First Edition p 1

[Unattributed report: "Appointment"]

[Text] Anatoliy Ivanovich Lisitsyn has been appointed chief of Yaroslavl Oblast Administration by a decree of the Russian Federation president.

Siberian Union Seeks End To 'Colonial Policy'

PM2209103792 Moscow ROSSIYSKAYA GAZETA in Russian 17 Sep 92 First Edition p 2

[Interview with Aleksandr Matveichev, one of the leaders of the Union for Siberian Revival and the Union for Siberian Unification, by Mikhail Podshibyakin in Krasnoyarsk; date not given; under the rubric "In Parties and Movements": "Siberia Will Revive"—first paragraph is introduction]

[Text] They are called by various names: "Siberian separatists," "a third force," "adepts of the prerevolutionary theory of Siberian regionalism." Not one of these definitions reflects the essence or the aspirations of the recently formed movement. One of its leaders, Krasnoyarsk engineer Aleksandr Matveichev, speaks about the Union for Siberian Revival and the Union for Siberian Unification.

[Podshibyakin] So then, what do your two unions represent?

[Matveichev] The certificate—dated 29 May 1992—of the registration of our social movement by the Krasnoyarsk Kray Administration Department of Justice says that the Union for Siberian Revival is "an association of Siberians defending the idea of the political and economic revival of the peoples of Siberia."

And the Union for Siberian Unification is an interregional movement incorporating organizations similar to the Krasnoyarsk organization. In Tomsk there is the Tomsk People's Movement, in Tyumen, the "Siberia" movement. There are grassroots movements of the Union for Siberian Unification in Novosibirsk, Kemerovo, and other cities and regions.

[Podshibyakin] From time to time you are described as a force that seeks to split Russia....

[Matveichev] None of us intends to create an independent Siberian republic outside Russia. It is not a question of amalgamating Siberia into a unified whole, but of uniting into a union of the Siberian oblasts. This is our minimum program. We demand the abolition of the exile of criminals to Siberia. We are campaigning for the creation of favorable conditions for developing Siberia's economic complex, for firmly establishing the local intelligentsia within it, and eliminating Moscow's diktat and its colonial policy.

As for the maximum program... The essence of that is to create an autonomous entity. Whether it is a federation, a confederation, or a Siberian republic within Russia—that, as the document in question states, is for the people to determine in an all-Siberian referendum.

[Podshibyakin] At the level of oblast and kray power structures another, parallel process of Siberian unification is underway. Recently the documents of the interregional "Siberian Accord" association were signed in our kray. Do you approve of this process?

[Matveichev] Yes, "Siberian Accord" is very helpful in solving many economic, scientific, and technical tasks. It opens up good prospects for all Siberians. Essentially the history of Siberian regionalism is entering a new phase.

Siberia, whose riches, as is well known, have long increased Russia's might, should not be a colonial or raw materials adjunct of the center, but an equal, harmoniously developed region.

Sakhalin Press Questions Shikotan Land Lease

OW1709175392 Moscow INTERFAX in English 1448 GMT 17 Sep 92

[Following item transmitted via KYODO]

[Text] Japanese television and radio commentators and journalists fear that other firms will rush to follow the lead of the Hong Kong firm Carlson and Caplan in the Southern Kurils and the territory will be completely bought up, writes the newspaper "SOVYETSKIY SAKHALIN" in an article about the controversial deal on the renting of land in Shikotan. And this could all occur long before the island is turned over to Japan.

These fears are understandable.

What is not understandable, writes the newspaper, is why the tracks of the firm's Hong Kong representative Bunko Ye—the organizer of the Shikotan deal—always lead to Japan. According to information the newspaper received from Japanese sources, Bunko Ye is of Chinese descent but is a Japanese citizen and maintains a permanent residence in the prefecture of Saitam, approximately 20 kilometers from Tokyo.

The newspaper raises the question of whether Tokyo is playing a role in a well developed scheme when Japan's Foreign Affairs Minister Watanabe threatens to cancel the international conference on aid to republics of the former USSR if the Hong Kong land deal goes any further.

Uranium Exports Transit St. Petersburg

LD1809040792 St. Petersburg Maritime Press Service in Russian 1300 GMT 12 Sep 92

[Text] In the first half of 1992 about 400 vessels arrived in St. Petersburg port with over 4.5 million tonnes of freight. Of that amount, 4 million tonnes were grain and 500,000 tonnes were meat and sugar, mainly from the United States, Britain, France, and Germany. In the same period 100 containers of natural uranium and 50 containers of enriched uranium were exported.

International Affairs

Foreign Minister Positive on Visit to UK

LD2209051592 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1600 GMT 17 Sep 92

["Exclusive" interview with Foreign Minister Anatoliy Zlenko by unidentified correspondent; place, date not given—live or recorded]

[Text] [Correspondent] Are you satisfied with the visit? Will there be any results in Ukraine from this visit?

[Zlenko] Summing up the results of this visit, I would like to say that it can be examined from two sides or through two approaches. First, in particular, what did this visit provide, in terms of political considerations, for instance, as an outlet for the development of bilateral relations, precisely in the political direction with that country, with Great Britain. I will say first that this visit provided an opportunity to deepen our political contacts. There is also an agreement, an agreement that we will work to create a political basis and a legal basis for cultivating our efforts toward the development of relations on an equal and mutually advantageous basis. This is the first.

Second, I think there are concrete results in terms of the future development of economic cooperation. You know, I was pleasantly impressed by the fact that I discovered for myself personally that there is, in government and business circles, a desire to develop economic cooperation in our country. This is a very positive signal for developing such business cooperation. I think that in the consciousness of political circles and business circles here, there already exists the fact that Ukraine is absolutely moving toward its independence. She is strengthening her independence. They understand that this is a European state and they are interested in this country strengthening its political and economic independence as much as possible. This is very pleasant.

The third thing I would like to say: There is a clear understanding that our president is going to visit that country soon. Concrete negotiations were held on this specifically. The outline on a agenda for our president's trip to that country was defined and I think that the importance of this visit is undeniable. It will provide an opportunity to finally lay down these specific directions for building bilateral Ukrainian-British relations.

Minister on Defense Conversion, Sale of Carriers

LD2209030992 Moscow ITAR-TASS World Service in Russian 2015 GMT 17 Sep 92

[By ITAR-TASS correspondent Vladimir Matyash]

[Text] Washington, 18 Sep—Having found itself in a profound economic crisis, Ukraine is in the process of resolving the problems of defense conversion—the conversion of the defense industrial sector, the armed forces, and the economic infrastructure. This was stated by Viktor Antonov, Ukrainian machine building, military-industrial complex, and conversion minister, at a news conference at the National Press Club in Washington on 17 September.

The combined defense and civilian mechanical engineering complexes include over 1840 research centers and enterprises at which some 3 million people are employed. They produce naval ships, aircraft, power engineering turbines for atomic power stations, trucks and cars, thousands of agricultural machines, medical equipment, and consumer goods. The complex, however, was drawn into excessive military production, including the construction of aircraft carriers and cruisers, the Ukrainian minister noted. Naval vessels of these types were built in Ukraine for Russia. All kinds of rockets and guided missiles—including the SS-18, code-named "Satan," and the SS-24—were produced in Ukraine. We also produced tanks, military transport planes, the latest radars, and other electronic equipment. Since this past January, Antonov continued, we have begun a radical conversion in Ukraine. Thus, while last year's military orders in inflation-free rubles [v postoyannykh rublyakh] totaled 160 billion, this year they total only 10 billion.

Replying to a question on the fact that Russia is "very briskly" selling weapons abroad, the Ukrainian minister noted that "Ukraine does not see a future in such an approach." Ukraine, according to him, has chosen "a civilized path of conversion," preserving the comparatively small technological and military base necessary for maintaining "a small Ukrainian army" in readiness. The minister was asked whether Ukraine plans to sell an aircraft carrier to the PRC or India. The world is full of rumors that Ukraine will sell an aircraft carrier. Two aircraft carriers—the "Ulyanovsk" and the "Varyag"—were in the course of being built in Ukraine. The first has been cut up into scrap metal. The construction of the "Varyag" is 69-percent complete, but it needs to be furnished with electronics and weapons systems. In the minister's opinion, all the talk about the sale of the "Varyag" to China or India are of a "mythical" nature inasmuch as billions of rubles are needed to complete all the work. Some 300 electronic, military, and weapons systems are necessary for the aircraft carrier to truly become a naval vessel. Therefore, even if we wanted to sell the "Varyag," Russia could become its only "real buyer." The real problem is that it is in a dock in which supertankers could be built, and Ukraine could sell these for hard currency.

In conclusion, V. Antonov, who is here at the invitation of the U.S. Administration, expressed confidence that the U.S. will give financial support to the foundation aimed at implementing the demilitarization of Ukraine and will assist in the conversion process.

Ministry Officials Elaborate on Diplomatic Ties

AU2209122892 Kiev HOLOS UKRAYINY in Ukrainian 10 Sep 92 p 2

[Commentary by Oleksiy Yevsikov: "On the Diplomatic Statistics and More]

[Text] During a regular briefing held at the Foreign Ministry, journalists obtained detailed information about Ukraine's bilateral relations with other states.

As stated by O. Dyachenko, chief of the State Protocol Administration, as of today, our country has been recognized by 123 states, of which 92 have established diplomatic relations with us. At present, 32 embassies headed by 19 ambassadors and 13 charges d'affaires ad interim operate in Kiev. Credentials have been submitted by 15 out of the 19 ambassadors; representatives of Canada, the Netherlands, Norway, and Sweden will do this in the near future. Another 14 foreign ambassadors represent their states in Ukraine, but work in Moscow (of these, the Australian ambassador alone has submitted credentials to the Ukrainian president. Regarding the rest, this is also just a matter of time). Thirteen countries have expressed their desire to represent their military departments in Ukraine through corresponding attaches. We also learned something else. Only one-half of the total number (32) of embassies in Kiev have separate buildings, while the rest are accommodated in hotels. This means that the question of premises for diplomatic missions still remains (and will, perhaps, continue to be for a long time) outstanding.

Then I. Turyanskyy, chief of the Foreign Ministry department in charge of international organizations, spoke at the briefing. He told about the recent meeting of the Council of Europe Ministers Committee in Istanbul. The objective of that conference (it was attended by representatives of all new independent states, with the exception of Tajikistan) was an exchange of information between, on the one hand, foreign affairs minister of countries that are members of the Council of Europe, and, on the other hand, their colleagues from former Soviet republics.

According to I. Turyanskyy, representatives of states that are members of the Council of Europe arrived at a conclusion that Ukraine, first among the republics, may become an equal member of this influential international organization. However, for objective reasons, the process of its joining the Council of Europe may take between six months and five years.

Estonian Visas Obtainable on Border

LD1909175592 Kiev Radio Ukraine World Service in English 2100 GMT 18 Sep 92

[Text] The citizens of Ukraine who are going on private or business trips to Estonia can so far obtain entrance visas on the border with this republic without applying to the Consular Department of the Estonian Embassy in Moscow. This has been reported today by the Foreign Ministry of Ukraine. By the way, one can visit Latvia and Lithuania without the entrance visa.

National Affairs

Sevastopol Naval Officers Take Oath of Allegiance

OW2109211892 Moscow INTERFAX in English 1851 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] In Sevastopol 50 officers of the 3rd department of the higher naval academy have taken an oath of allegiance to Ukraine. They account for 95 percent of the department's officers.

In all at that school which was placed under the jurisdiction of Ukraine recently about half of the of the officers took the oath of Ukraine. At the Sevastopol naval engineering school the rate is higher - 2[3] of the teaching officers took the oath of Ukraine. The figures were released by the press-center of the Ukrainian Navy's organizational group in Sevastopol.

Military University Opens in Kharkov

OW2009133592 Moscow INTERFAX in English 1242 GMT 20 Sep 92

[Following item transmitted via KYODO]

[Text] A military university has opened in Kharkov, a big industrial and scientific center in Ukraine. It absorbed the former radiotechnical air defence academy and two military schools: for aviation radioelectronics and missile forces. The university has already admitted its first cadets.

Navy Says Six Units Join Ukrainian Armed Forces

OW1909160192 Moscow INTERFAX in English 1239 GMT 19 Sep 92

[Following item transmitted via KYODO]

[Text] To date, 6 military units located in Sevastopol, Yevpatoria, Nikolayev and Odessa have signed the acts on joining the Ukrainian armed forces, the Ukrainian Navy's press service announced on Saturday [19 September].

Kiev Conference Tackles Problems of Servicemen

AU2109110392 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 21 Sep 92

[Text] A scientific and practical conference on the Social Problems of Servicemen and the Political Stability in Ukraine During the Period of Transition to Market Relations is under way in Kiev. Scientists and representatives of Ukraine's Officers' Union, business circles, and the Ukrainian Diaspora are taking part.

[Moscow INTERFAX in English at 1242 GMT on 20 September in a similar report adds: "It is attended by defence ministry officials, spokesmen for the Ukrainian army officers' union, and members of several departments."]

The problems of elaborating legislative acts in the military sphere and of the return of servicemen who are citizens of our state to their fatherland are at the focus of attention of the participants in the conference. Also under discussion is the problem of housing for servicemen and of the creation of necessary conditions to enable them to fulfill their duty before the people of Ukraine.

Cabinet, Bank Approve Rules on Promissory Notes

AU2209093792 Kiev HOLOS UKRAYINY in Ukrainian 16 Sep 92

[Information issued by the Prime Minister's Press Service: "Rules for Issuing and Using Promissory Notes" in Kiev; date not given]

[Text] Ukraine's Cabinet of Ministers and Ukraine's National Bank have approved the Rules for Issuing and Utilizing Blanks of Promissory Notes.

The document provides samples of transferable bills and notes of hand and lists materials that may be used for producing the blanks. The Finance Ministry has been authorized to submit, within two months, the draft of the Procedures for Issuing and Circulating Promissory Notes.

It is stipulated that, until this draft is approved, the utilization of promissory note blanks will be based upon Regulations on Transferable Bills and Notes of Hand that were approved by decree No. 104/1341 issued by the USSR Central Executive Committee and Council of People's Commissars on 7 August 1937; a number of specific features must be taken into account.

Kravchuk Decrees Establishment of AIDS Committee

OW1909175192 Moscow INTERFAX in English 1517 GMT 19 Sep 92

[Following item transmitted via KYODO]

[Text] On Friday, the Ukrainian president signed the decree on the establishment of the president's national committee for combating AIDS. The committee has received 4.2 million roubles from the national budget.

Rukh Spokesman Announces New Opposition Coalition

LD1909190792 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1800 GMT 16 Sep 92

[Text] Vyacheslav Chornovil, co-chairman of the People's Movement of Ukraine [Rukh], held a news conference in Kiev today. In particular, he discussed the formation of a coalition of opposition parties and organizations, New Parliament for an Independent Ukraine, which sets as its goal the gathering of signatures in support of conducting a referendum.

Tomorrow, the central electoral commission will examine the question of registration of the initiative group.

Poll Shows Support for Referendum on Parliament

PM2209121592 Moscow IZVESTIYA in Russian 18 Sep 92 Morning Edition p 2

[Sergey Tsikora report: "Ukraine: Referendum on Dissolution of Parliament in Preparation"]

[Text] Kiev—The Ukraine's Central Electoral Commission had scheduled for 17 September, the official registration of action groups collecting signatures for an all-Ukrainian referendum. This is to settle the issue of the Supreme Soviet's early dissolution.

Journalists were told this at a press conference by V. Chornovil, one of Rukh's cochairmen. If registration does go ahead 17 September, this day will be considered the start of the official collection of signatures. The campaign has been given exactly three months in which the organizers of the referendum must collect 3 million Ukrainian citizens' signatures.

Rukh has set up a powerful coalition in conjunction with political opposition parties. Its slogan being "An Independent Parliament for an Independent Ukraine." The following question is being put to the referendum: "Do you favor the early suspension of the Ukrainian Supreme Soviet's powers following early Ukrainian parliamentary elections in 1993?"

V. Chornovil said that 34 action groups have been set up to date to collect signatures, totaling almost 4,000 people. Groups have been set up in 11 Ukrainian oblasts.

However, their work is not viewed favorably in all areas. Instances were cited at the press conference which attest that there has been resistance on the part of rayon authorities to the campaign to organize a referendum in Poltava and Nikolayev Oblasts. You can understand the reaction of some leaders. Here are the results of a "barometer of public opinion" among people in one of the southern regions of Ukraine. A telephone poll of the population of Nikolayev showed that 44 percent of respondents are prepared to take part in a referendum today, while 62 percent are ready to vote in favor of the dissolution of the parliament, and 59 percent are willing to take part in the election of a new Supreme Soviet.

V. Chornovil told journalists that Rukh has changed its view of the idea of creating a government of popular confidence. Given the current composition of the parliament it will be virtually impossible to organize such a government, he said. For that reason Rukh has put forward a new formula—"the creation of a transitional reform government."

....For the first time since the Supreme Soviet session began its work, the square in front of the parliament building was not packed with pickets 17 September. V. Durdinets, first deputy chairman of the Ukrainian Supreme Soviet, who had met with labor and armed forces veterans the day before, accepted a package of demands from them. Working groups of the Supreme Soviet and the Republic Council of Veterans presidium have been set up to prepare draft documents for examination by parliament.

The most weighty argument in favor of the sides' becoming reconciled was the Supreme Soviet's adoption of a resolution reducing the tax on the cost of certain meat products.

Lvov Leaders Oppose New Parliamentary Elections

OW1909155992 Moscow INTERFAX in English 1239 GMT 19 Sep 92

[Following item transmitted via KYODO]

[Text] The Ukrainian president's representative in the Lvov region Styepan Davymuka and Chairman of the regional council of people's deputies Mikola Gorin oppose the idea of dissolving the Ukrainian parliament.

The leaders of the Lvov region believe that the structure of the parliament corresponds to the current economic and political situation in Ukraine. "We oppose instability," they said and added that new parliamentary elections will represent a pretext for confrontation.

Earlier, the Lvov regional council was headed by Vyacheslav Chernovil, the leader of the influential political organization Narodny Rukh, opposing the president and the parliament. In Ukraine, a number of political parties and movements, including the Narodny Rukh, continue to campaign for new parliamentary elections.

Crimean Movement Holds Congress; Wants President

AU2109143892 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 21 Sep 92

[Text] On 20 September, an extraordinary congress of the All-Crimean Movement for the Crimean Republic was held in Simferopol. Out of 516 delegates, 348 arrived by the beginning of the congress. Volodymyr Terekhov, Ukraine's people's deputy; Yuriy Meshkov, chairman of the Coordination Council of the Republican Movement of the Crimea [Russian: Respublikanskoye Dvizheniye Kryma]; and Anatoliy Los, chairman of the Russian Society of the Crimea [Russian: Russkoye Obshchestvo Kryma] directed the work of the delegates along a well trodden path. Those present discussed the question of citizenship in the Crimean Republic, the referendum, the new elections to the Supreme Council of the Crimea, and the need to have a Crimean president. A call was made at the congress not to give the Black Sea Fleet to Ukraine. Ukraine and Russia were accused of conducting a political game with regard to the Russians of the Crimea.

Declares Parliament 'Unsatisfactory'

OW2109211392 Moscow INTERFAX in English 1851 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The delegates to Sunday's [20 September] emergency congress of the voters for the Republic of the Crimea have declared as unsatisfactory the performance of the Crimean parliament and demanded that the Supreme Soviet of the autonomous republic should remove from the agenda of the next session the question of adjusting the Crimean constitution to Ukrainian legislation. They believe that the question must be discussed only after all amendments to the fundamental law of the Crimean autonomy have been discussed by the people.

The congress also demanded lifting the moratorium on the referendum on the Crimea's status, setting a date for presidential and parliamentary elections. A separate item of the emergency congress's resolution says that the Defence Council of the Crimea should be empowered to decide all questions connected with the appointment and promotion of the commanders of army units deployed in the Crimean peninsula.

The delegates to the congress in Simferopol put off the 1st congress of the Crimean voters originally scheduled for September 19 until November 22.

Demands Referendum

OW2009175592 Moscow INTERFAX in English 1544 GMT 20 Sep 92

[Following item transmitted via KYODO]

[Text] According to the press center of the Republican Movement of the Crimea, the All-Crimea Electors' Movement for the Crimean Republic has held an extraordinary congress in Simferopol today at which it was declared that the two movements are going to unify to struggle for a "sovereign law-based democratic republic of the Crimea."

The two movements have demanded that the Ninth Session of the Crimean Supreme Soviet opening on September 24 put off discussion of amendments to the Crimean Constitution and lift its moratorium on a referendum on the peninsula's independence, which, the movements insist, should be held on November 29.

Some delegates proposed Admiral Igor Kasatonov, commander of the Black Sea Fleet, as candidate to the President of the Crimea.

Congress delegates took part in a meeting held by 200-300 people in Simferopol today to express support for the congress decisions.

Belarus

Foreign Minister Previews UN Speech, Departs

LD2109203192 Moscow ITAR-TASS World Service in Russian 1855 GMT 21 Sep 92

[By BELINFORM correspondent Tatyana Khryapina for TASS; all quotation marks as received]

[Excerpts] Minsk, 21 Sep—Belarus Foreign Minister Petr Kravchenko left for New York today to participate in the 47th session of the UN General Assembly. He is expected to speak at the assembly on 23 September.

"I intend to inform the world community about the first steps taken by the Republic of Belarus on the path to sovereignty, the minister said in an interview he gave to the BELINFORM correspondent on the eve of his departure for New York. At the same time we continue to count on international support for our undertakings as well as the development of full international relations and mutually beneficial cooperation with all interested states.

The Belarus minister recalled the main events that had taken place since the previous session of the UN General Assembly. [passage omitted]

Speaking about the main aims of the Belarusian delegation at the present UN forum, Petr Kravchenko pointed first to a series of measures aimed at reintroducing the Chernobyl debate. "The mobilization of international support for the settlement of the Chernobyl problem remains one of the priorities of our foreign policy, he said. The present course of events shows that the world, and especially the developing countries, try to ignore this problem, to push it to the rank of general ecological concerns. We do not agree with this because Chernobyl is a catastrophe of the 20th century of unprecedented consequences. It is a tragedy that will last for centuries. The position of Belarus, who was the initiator of the adoption of the well-known UN "Chernobyl" resolution, as well as the driving force behind all the international programs aimed at lessening the consequences of the Chernobyl catastrophe, is invariably directed at the widening of mass humanitarian aid, under UN auspices, to the victims of the accident. We really hope to find understanding and support on this topic from the world community.

The plenipotentiary representatives of the republic, the minister said, will take part in both general discussions and in the work of all the UN committees. "Apart from that, we will take advantage of being in New York and hold a meeting with representatives of Belarusian emigrants because we cannot imagine the rebirth of the national identity, national culture and mother tongue, he added. Preparations for the first congress of all Belarusian emigrants due to take place next summer in Minsk are of great importance for us in that respect."

Shushkevich Concludes German Visit, Returns

Briefs Press

LD2209042992 Moscow Radio Rossii Network in Russian 0000 GMT 22 Sep 92

[Report on news conference by Supreme Soviet Chairman Stanislav Shushkevich in Minsk on 21 September]

[Excerpts] Members of the Belarusian delegation took part in the news conference along with the parliament chairman, including Petr Sadovskiy, chairman of the Supreme Soviet Commission on International Affairs and External Economic Ties, and Anatoliy Mikhaylov, academician at the Belarusian Academy of Sciences and adviser to the head of the parliament. [passage omitted]

Touching upon the increased price for oil from Russia, Stanislav Shushkevich said, quote, I do not wish to condemn Russia and have no right to do so. This is very unpleasant and we are bound to have some difficulties, but I will not be off to a square for a rally. The main thing is that the overall economic effect is not as negative as it was during the liberalization of prices this past January, unquote.

The parliamentary speaker confirmed yet again that Belarus plans to remain in the ruble zone for quite a long time, since 80 percent of the Republic's output goes to Russia. If transactions between the two states were to become more complicated it would probably result in a decrease in commodity circulation.

It was also noted at the news conference that Belarus is in favor of substantially cutting the time period during which strategic nuclear weapons are to remain on its territory. As for the Russian troops in Belarus, their time of their stay should be reduced to three or four years.

Stanislav Shushkevich gave a positive assessment of the establishment of the CIS Interparliamentary Assembly, saying that such a working body does not encroach upon national sovereignty and that one should not view it as a great power structure.

Regrets Russian Oil Price Hike

LD2109212292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 21 Sep 92

[From the "Novosti" newscast]

[Text] A news conference given by Belarus Supreme Soviet Chairman Stanislav Shushkevich touched mainly on the results of his visit to Germany. The head of the Belarusian parliament stated that the delegation from the Republic of Belarus held talks with the FRG leadership on a business partnership level. During the course of the official visit, the German side confirmed its readiness to develop cooperation in various areas of bilateral relations.

The topic of Belarus-German relations had just been broached when questions concerning economic problems facing the CIS started to pour in, particular on the rise in oil prices.

[Begin Shushkevich recording] I have no right to condemn Russia for the measures it took. However, I can tell you it will be very difficult for us to accept this, and the government will seek ways to deal with it. I would not like this step to lead to the spirals that took place during the shock therapy, as it were, which ensued from the liberalization of prices. The final effect was negative. I would like us to find a way of reaching agreement so that the overal economic effect is not negative. [end recording]

Criticizes Gorbachev

LD2109205992 Moscow ITAR-TASS in English 2034 GMT 21 Sep 92

[By BELINFORM correspondent Vladimir Glod for TASS]

[Text] Minsk September 22 TASS—Belarusian leader Stanislav Shushkevich believes that Belarus plays an important role in its policy towards West Germany. The head of the Belarusian Parliament was addressing a press conference at the end of his official visit to Germany.

According to him, this tendency, in particular, manifests itself lately, when the sovereign Belarusian state got rid of its foreign debts. German bankers and industrialists, who earlier were quite sceptical about the financial capabilities of Belarus, are now ready to sign profitable contracts for both sides.

Shushkevich's visit to Germany coincided with Gorbachev's. The head of the Belarusian Parliament said that in Germany the ex-president was accorded a hearty and enthusiastic welcome. It is understandable, considering what he had done for the unification of Germany. "However, personally I did not like Mikhail Sergeyevich's behaviour," Shushkevich said. "An impression was created that he considered himself as a person on whose resignation the whole Soviet Union and the whole world grieved," he said.

Regarding Gorbachev's claims to the leadership of the "Green Cross" ecological organization, the head of the Belarusian Parliament said that, in his opinion, "the president of the country who concealed from the whole world the consequences of the Chernobyl nuclear disaster has no moral right to head this organization."

Views Possible Export of Missile Components

OW2109184392 Moscow INTERFAX in English 1645 GMT 21 Sep 92

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"—following item transmitted via KYODO]

[Text] Asked by IF [INTERFAX] to comment on Russia's exports of the components of the eliminated nuclear missiles, Chairman of the Belarusian Parliament Stanislav Shushkevich said the following:

"I would not like anyone to view this as a political problem. This is a purely economic issue which can be settled in accordance with established procedure." Shushkevich reminded journalists that he was a physicist by profession and expressed his view on the possibility of using nuclear materials removed from the strategic missiles to be eliminated. "To remove these materials for subsequent utilization would be tantamount to removing raisins from pies," he remarked.

IF note: In the preliminary estimate of Belarusian experts, the nuclear stuffing of the strategic missiles to be removed from Belarus costs several billion dollars. The documents setting forth the terms for the removal of the strategic nuclear weapons, signed by Belarus, do not envisage the possibility of selling their components.

Tomorrow, the Presidential Bulletin will give details of the press conference given by Stanislav Shushkevich.

Prime Minister Reviews Fuel Price Deregulation

LD1809221692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0230 GMT 18 Sep 92

[Text] The Belarusian Government is preparing to amend the action program in connection with price rises for Russian oil. This was stated at the meeting between industry leaders and enterprises in Minsk and the prime minister of Belarus.

[Begin recording] [Correspondent Lyaskalo] A report on the freeing of fuel prices beginning in January 1993 has provoked serious concern and even alarm among the participants of the meeting. In conditions of market relations being established in a number of industries, negative tendencies have increased in the economy. The result is that in the seven months of this year the republic's national income has fallen by 14 percent. The freeing of fuel prices could lead to bankruptcy or a shutdown of important enterprises necessary for all Commonwealth countries. Therefore, the question of how to finish this year and begin 1993 aroused concern among the participants of the meeting.

The first deputy premier, the head of the national bank, deputy finance minister, and heads of enteprises were jointly seeking a way out of the complex and even critical situation which has arisen. In the opinion of many people, it requires serious amendments in the action program of the government and heads of industries and industrial enterprises.

When the premier convenes industrialists and entrepreneures to the council, does it mean that new difficulties in the economy have emerged?

[Prime Minister Kebich] I would not say that. The thing is that we meet regularly. We have agreed with industrial enterprises that such meetings will take place once a month at least. But I would agree with you that difficulties—and great ones at that—exist in the economy. Therefore, the current meeting is taking place today not because it is a tradition or in respect of tradition but because leaders of industrial enterprises have to hold this great council to decide how to end this year and especially how we must begin 1993. The difficulties are, above all, connected with material and technical provision and with funding industrial enterprises, as well as with possible and real fuel price rises.

[Lyaskalo] When we listened to your speech and the speeches by leaders of enterprises and industries, we had the feeling that when fuel prices are freed amendments in the government action and in industrial collectives will be inevitable. What are these amendments and will they help them survive?

[Kebich] I would say that if there had been no movements in fuel prices, the life of our republic's government would be much simpler, and it would have felt much more confident. There will be amendments, and generally in the documents which we have worked out we have provided for possible oil price increases, and this is connected above all with the fact that we will have to change the orientation of certain industrial enterprises, to reduce production or halt the output of oil which the republic does not need and which we only export to other regions, the output which is [word indistinct]. These are the actions we intend to undertake in the very near future.

[Lyaskalo] Vyacheslav Frantsevich, will the deregulation of oil prices and our actions influence relations between Belarus and Russia?

[Kebich] I think that only very unclever politicians who sometimes speculate on these questions could have said yes. No. I am sure that the good relations currently existing between Russia and Belarus, and between Belarus and Russia, will remain good. I believe in the common sense of the Russian leaders, who will probably meet us halfway. I would like very much to believe that it will still be possible for them to release a certain part of oil for contractual prices, since we will then also establish—wanting to meet them half way—contractual prices for the oil we will export to Russia. Generally, market relations must never affect relations between close and kindred Slavonic peoples such as Russia and Belarus. [end recording]

Shushkevich, Kebich Differ on Confederation

MK1909143592 Moscow NEZAVISIMAYA GAZETA in Russian 19 Sep 92 p 1

[Report by Igor Sinyakevich under the "Belarus" rubric: "Shushkevich Opposed to Confederation. Republic's Official Position Will Be the Same"]

[Text] During a visit to Germany, Belarusian leader Stanislav Shushkevich gave a news conference at which he expressed his attitude toward plans to create a confederation within the framework of the CIS. According to ITAR-TASS, he stated: "My attitude toward this question is not what the newspapers have been writing recently. The issue of creating a confederation was missed in 1990, and after 1990 it is very difficult to return to it. Unfortunately, later too, in 1991, the USSR president did not heed advice on this issue. I believe a confederation is now hardly likely. Anyway, I do not have authorization from parliament to sign documents on closer interaction beyond that within the CIS. It is necessary to achieve truly legal relations on the basis of the documents already signed and not go further."

References to the absence of authorization are the usual device used by the Belarusian Supreme Soviet chairman to avoid souring relations with Russia and at the same time not to follow in the wake of its "imperial policy." Like any "centrist," Stanislav Shushkevich merely reflects the real correlation of political forces.

Belarusian Premier Vyacheslav Kebich is more pro-Russian than the head of parliament. This is explained by economic pragmatism, on the one hand, and, on the other, by the need to strengthen his position on the eve of the referendum on early elections to parliament. The word "confederation" was heard for the first time in Moscow 20 July during the signing of a package of Belarusian- Russian bilateral agreements. It may be assumed that this was a sort of "trial balloon" with the aim of eliciting public reaction to the said innovation. As was to be expected, the opposition, in the shape of the Belarusian People's Front, mounted a campaign of criticism of the Moscow accords and designated them the result of "the capitulationary position of the comprador-style government of Belarus." Understandably, the premier will now be more cautious regarding the fraternal embraces of the "great eastern neighbor." All the more so inasmuch as Russia has already broken the 20 July agreements. In accordance with the latter, the base price of the Russian petroleum delivered to the republic was not to exceed 2,800 rubles per tonne before the end of the year. But it was precisely for the cheap petroleum so needed by the Belarusian ex-communists on the eve of the referendum that Russia obtained through the Moscow agreements a whole range of military-political and geo-economic concessions.

The correlation of forces in the republic is such now that neither the abrupt disintegration of ties with Russia nor the voluntary return of its sovereign rights as the result of Belarusia's entry into a confederation will be welcomed by the public.

Defense Minister Predicts Nuclear-Free Status

LD1909203692 Moscow Radio Rossii Network in Russian 0800 GMT 17 Sep 92

[Text] Belarus Defense Minister Pavel Kozlovskiy told a correspondent of IZVESTIYA newspaper that achieving the status of a nuclear-free power is planned for the final stage of the republic's armed forces, in about 7 years' time. By that time, he said, withdrawal of strategic nuclear forces from the territory of Belarus will be completed.

The Belarus defense minister pointed out that the bilateral military agreement between Russia and Belarus should not be considerd a military alliance. The document defined the status of the temporary stay of Russian troops in Belarus, Pavel Kozlovskiy stressed.

Government Policy Formulation Structure Formed

OW1809184292 Moscow INTERFAX in English
1550 GMT 18 Sep 92

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] Under a resolution by the Presidium of Parliament the national institute for government formulation and legislation was formed in Belarus. The nation's new structure is the realization of a long time plan by Parliament Speaker Stanislav Shushkevich to set up a think tank to develop government doctrine and laws.

The new institute will be managed by the Presidium, but is essentially controlled by the head of the Belarusian government. Shushkevich appointed Valentin Borovtsov, a well-known lawyer and former head of the government legal department, to direct the institute. The new post makes Borovtsov an adviser to the parliamentary speaker on matters concerning government formulation.

Borovtsov said in an exclusive interview with "IF" [INTERFAX] that he is not against drawing Moscow specialists and intellectuals to the institute, since, the director said "the intellectual elite has long been in control there, and may be able to help establish the Belarusian state". Borovtsov said Belarus has an intellectual void since the centralized Soviet system brought many of the republic's specialists to work in Moscow, and working in the central structures was considered prestigious.

The director said the institute will most likely contain 7 departments: strategic initiatives, legislative on the social sphere, social development, law and the maintenance of public order, comparative law, private law, and ecological law.

Government Bans Free Sales of Hard Currency

OW2009131892 Moscow INTERFAX in English
1243 GMT 20 Sep 92

[Following item transmitted via KYODO]

[Text] As of September 21 the free sales of hard currency in Belarus will be banned.

In accordance with a resolution issued by the National Bank, hard currency will be exchanged for rubles only to those who have exit visas, and in amounts not exceeding 500 U.S. dollars.

Government Proposes Foreign Economic Regulations

OW2209004692 Moscow INTERFAX in English
1902 GMT 21 Sep 92

[From the "INTERFAX Business Report"—following item transmitted via KYODO]

[Text] During the period January to July this year Belarusian imports constituted $228.4 mn [million], while exports were $462.2 mn.

EXPORTERS TO SELL GOVERNMENT 20% OF HARD CURRENCY PROFITS

Belarus is about to change legislation on taxation and the formation of hard currency assets. The government suggested assessing exporters a tax on hard currency profits as of January 1, 1993; the tax will be 10% of the contract price, allowing deductions for shipping charges. Exporters will also be required to sell the government 20% of hard currency profits at an exchange rate set by the Central Bank of Russia. If the tax is not paid within one month of receipt of the profits, violators will be fined 100% of the unpaid sum.

FOREIGN COMPANIES ALLOWED TO CONDUCT EXPORT-IMPORT OPERATIONS

The government resolution "On Perfecting Foreign Economic Activities" permits foreign legal entities to conduct export-import operations in Belarus, using the official local currency and opening appropriate accounts in the republic. However, the resolution states that these firms must use Belarusian mediators in foreign economic relations.

GOVERNMENT TO CONTROL BARTER OF ESPECIALLY IMPORTANT PRODUCTS

The Belarusian government has drawn up a list of products which can be bartered only with the permission of the government Committee for Permission to Conduct Foreign Trade Barter Operations. The list includes inorganic chemical products, compounds made from precious and rare-earth metals, organic and chemical compounds, mineral fertilizer, non-ferrous metals and their product, products obtained in oil refining, wood and its product, textiles and textile product, ferrous metals and their product.

LIMITS SET FOR EXPORT OF LICENSED PRODUCTS

The Belarusian government directed the Ministry of Food and Agriculture to set the following quotas for the export of licensed product in 1992:

- potash fertilizer - 800 thousand tons (barter deal)

- nitrogen fertilizer - 168 thousand tons (barter)

- flax fiber raw material - 4 thousand tons

- animal fat - 2 thousand tons

- table salt - 10 thousand tons

The sale of fertilizer is one of the republic's constant sources of hard currency. During the first 8 months of this year Belarus exported 117 thousand tons of nitrogen fertilizer, 48 thousand tons of which went to Yugoslavia, 67 thousand tons to Poland, and 700 tons to Czechoslovakia. The nation sold 141 thousand tons of potash fertilizer, with more than 57 thousand tons going to Austria, 30 thousand tons to Finland, 15 thousand tons to Yugoslavia, and 36 thousand tons to Poland.

In the first half of 1992 fertilizer prices on the republic's sales market dropped 20% due to a lack of organization among Belarusian shippers and the large volume of fertilizer offered for sale, the foreign trade association "Belagrointorg" told "IF" [INTERFAX]. Specialists from the association said the government decision to license barter deals for certain products may help correct the export situation.

National Bank Suspends Payments to Latvia

LD2109062792 Moscow Radio Rossii Network in Russian 1200 GMT 19 Sep 92

[Text] According to information from the NEGA agency, on 14 September the Belarusian National Bank suspended payments to the Latvian Republic until its debts have been cleared. This decision was made in connection with the lack of funds in the Bank of Latvia's account in the Belarusian National Bank and the fact that there is still no agreement between the financial institutions or the governments of the two states.

Latvia's debts to the Republic of Belarus between 1 January and 10 September amounted to 331 million rubles. Henceforth, the transfer of payments will be made to the extent that funds are received from the Latvian side.

Moldova

Second Round of 14th Army Talks Held

PM2109160392 Moscow KRASNAYA ZVEZDA in Russian 18 Sep 92 p 3

[Vitaliy Strugovets report: "Status of 14th Army Under Discussion. Second Round of Russian-Moldovan Talks Held"]

[Text] The second round of Russian-Moldovan talks on the status and withdrawal of the 14th Army units stationed on Moldovan territory was held in Chisinau on 16-17 September. The Russian delegation was led by Vladimir Plechko, the Russian Federation's ambassador to Moldova, (the Russian Defense Ministry was represented by Colonel General Boris Gromov, Russian Federation deputy defense minister), and the Moldovan delegation was led by Petr Luchinskiy, Moldovan ambassador to the Russian Federation.

It must be pointed out that the second round of talks began in a more favorable atmosphere: The state of emergency in the Dniester Region has been lifted.

The delegations held a plenary session at 1300 on 16 September. Work then continued in expert groups. Jurists, historians, and specialists in both states' foreign and defense ministries examined the proposed documents article by article. Attention focused on questions of the 14th Army's status and the social protection for servicemen and their families.

On the morning of 17 September Moldovan President Mircea Snegur received Russian Federation Ambassador Vladimir Plechko and Colonel General Boris Gromov. According to information we have received from the president's entourage, they discussed the 14th Army's withdrawal from Moldovan territory—which, according to the president, is what "the people are asking for." As regards hardware and material resources, the Moldovan side wishes to receive them in full, explaining this by reference to its share in equipping the former Soviet Army. Incidentally, the president, according to a MOLDOVA-PRESS report, has suggested that those 14th Army servicemen who so wish should enlist in Moldova's national army.

But, as KRASNAYA ZVEZDA was told at the Moldovan Defense Ministry's Directorate for Work With Personnel, Culture, and Public Relations, we can hardly expect any documents to be signed now or specific pledges on the timing of the 14th Army's withdrawal.

Officers of the 14th Army have also expressed their position on the talks that have been held. Above all, they do not understand why none of the army's leaders, including its commander, Major General Aleksandr Lebed, was invited to a meeting where the formation's status and fate and social protection for its servicemen and their family members were being discussed.

"In our view," Colonel Aleksandr Baranov, assistant commander for work with personnel, said in conversation with our correspondent, "it will be possible to talk of withdrawing the army only when there is confidence in lasting peace in the Dniester region. But for now neither local residents nor our officers will understand this step."

According to Colonel Baranov's information, the leadership of the Dniester region also holds a similar position. The president of the Dniester Moldovan Republic has even issued an ordinance banning the supply of the railroad cars needed to remove the army's property and hardware.

Delegation Head Sees Obstacles to Troop Pullout

AU1809170592 Bucharest ROMPRES in English 1501 GMT 18 Sep 92

[Text] Chisinau ROMPRES, 18/9/1992—Asked to give his opinion following the end of the Chisinau round of the Moldovan-Russian negotiations on the withdrawal of Russia's 14th Army from Moldovan territory, Petr Luchinsckiy, head of the Moldovan delegation, opined that a new summit would be necessary in order to reach an agreement on certain specific matters like the schedule of the withdrawal. Talk was made of the year 1994. He also said the problem was difficult, as all the former socialist countries and the Baltic states are sending the Russian troops back.

"From this point of view," Ambassador Luchinsckiy said, "the matter must be dealt with as well as possible, while from the political point of view there are no significant difficulties. But from the practical point of view there are aspects difficult to solve and we must reach a consensus. Still, we wish to solve the matter without great fuss, as they say, because we must live in peace and understanding and we still have many interests and we wouldn't like to resort to protests and other such actions. I think we are going to manage a solution to the matter, slower maybe but not to the detriment of the relationship that must exist between our states," Ambassador Luchinsckiy said.

Snegur, Smirnov Meeting on 14th Army Mooted

AU1909202092 Bucharest ROMANIA LIBERA in Romanian 16 Sep 92 p 8

[Article by Mihai Vicol:"A Snegur-Smirnov Meeting?"]

[Text] During a recent television broadcast in Tiraspol, the deputy chief editor of DNIESTROVSKAYA PRAVDA informed Dniestrian viewers that a meeting would place in the near future between President Mircea Snegur and Igor Smirnov. It is not yet known if the president of the Republic of Moldova will agree to this meeting. However, since Mircea Snegur's reactions cannot always be predicted, this meeting may take place despite assurances given by the president that he would never sit down at a negotiating table with Igor Smirnov.

This meeting was to discuss the heavy equipment of the 14th Army on the territory of Moldova, which is surreptitiously being removed to Russia. Smirnov has issued a decree whereby the use of the railroads for military transportation on the territory of the Dniester Republic is prohibited. The Dniester leaders in Tiraspol have accused the leadership of the Republic of Moldova of having received too much weaponry from air landing [de desant aerian] regiment 300 in Chisinau. This has made those in Tiraspol suspicious, because they are also claiming part of the weaponry of the 14th Army.

The Tiraspol leaders are also demanding a foreign currency policy independent of that of the Republic of Moldova, saying that they desire to remain within the sphere of influence of the Russian ruble, despite all the pressure from Chisinau. The introduction of the leu has been further delayed.

Transdniester Delays Worry Monitoring Commission

OW2109133892 Moscow INTERFAX in English 1047 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The Combined Monitoring Commission (CMC) on a settlement in Transdniester has voiced concern over "the political and parliamentary means that are being applied to delay the second stage of a final solution to the conflict", a stage that provides for negotiations between Chisinau and Tiraspol to normalize the situation in Transdniester once and for all.

An CMC statement released in Chisinau notes that during two months of its work, the commission "has worked out and implemented the concrete measures that have made it possible to cease fire, withdraw the armed forces to predetermined positions, concentrate the military hardware at storages, and create a security zone". The combined peace-keeping force deployed in Transdniester at present fully controls the situation and ensures peace, law and order, states the document.

CMC members urged politicians in Chisinau and Tiraspol to start negotiations as soon as possible.

Foreign Minister Protests Lebed's Flag Comment

AU1809170492 Bucharest ROMPRES in English 1453 GMT 18 Sep 92

[Text] Bucharest ROMPRES, 18/9/1992—The foreign minister of the Republic of Moldova has released a statement on the insulting comments made Monday on TV Ostankino by General Lebed, commander of the Russian 14th Army, stationed in Moldova, regarding the Moldovan tricolour flag.

Stating verbatim that the tricolour "is a fascist flag," General Lebed has insulted the national symbols of the Moldovan people, the statement, released by MOLDOVA PRES, reads, and goes on:

The Republic of Moldova's Foreign Ministry has repeatedly drawn the attention of the Russian authorities upon the defiant behavior of "the tireless general", a behavior expressed by his active participation in almost all the political actions of the anticonstitutional formations in eastern Moldova. Alas, the Russian side has not yet qualified such actions appropriately. The Republic of Moldova's Foreign Ministry firmly protests and asks for measures to be taken against any interference of the Russian 14th Army's commander with the republic's internal affairs.

President Tours South; Refutes Famine Rumors

*OW1809145192 Moscow INTERFAX in English
1313 GMT 18 Sep 92*

[Following item transmitted via KYODO]

[Text] U.S. loans will help Moldova purchase food, above all grain, thus softening the consequences of the recent drought, Moldovan President Mircea Snegur announced Thursday during his tour of the southern regions. Snegur refuted rumors about famine threatening Moldova.

The Moldovan president met with Chairman of the Gagauz parliament Mikhail Kendegilyan and other Gagauz representatives and urged them to suspend the Gagauz parliament's decision to eliminate local executive bodies till October 1.

Mircea Snegur expressed concern about the presence of a large amount of small arms in the Gagauz homes and about the Gagauz population's statements about their readiness to defend their homeland with arms. He asked the Gagauz leaders to disband and disarm all of the voluntary formations. "Moldova has done so already," he said, "and has no plans to attack the southern regions".

Chairman of the Gagauz parliament Mikhail Kendegilyan proposed that the Moldovan parliament discuss the possibility of peaceful co-existence of the Moldovan, Transdniestrian and Gagauz republics within Moldova.

Druc Condemns 'Imperial' Designs on Moldova

*AU2209100392 Bucharest TINERETUL LIBER
in Romanian 19-20 Sep 92 pp 1,2*

[Interview with independent presidential candidate Mircea Druc by Iulian Foisa and Radu Podgoreanu in Bucharest on 18 September: "Today, Mircea Druc"]

[Text] [Druc] As far as the proclamation of the so-called Republic of Moldova as an independent state is concerned, I would have considered it a tactical victory if that proclamation had only lasted 24 hours, after which parliament should have discussed the issue of reunification and union with the mother country. From a political viewpoint, it is a big mistake, as big as ceding Bessarabia in 1940, signing the treaty with the Soviet Union, and President Snegur's participating in the CIS meeting in Alma-Ata. The seriousness of this mistake will be yet proven by history.

I do no endorse any independence of Moldova without Oltenia, Transylvania, Bukovina, or Dobrogea. I could not conceive of taking my last breath without Cernovtsy.

[TINERETUL LIBER] Who are the enemies of Romania's reunification?

[Druc] The imperial forces and all those who openly or covertly are against the so-called nationalism.

[TINERETUL LIBER] Can you be more explicit?

[Druc] The forces that have not yet renounced the reestablishment of empires—Moscow, other capitals, and imperialism in the classical sense of economic domination. They are the forces that do not want a 30-million strong reunified Romania in this geographical space given by God. I am accused of nationalism. I am not a nationalist, but I ask them: What are they? They are the proletarian internationalism that destroyed our country. If they want stability in this part of Europe, they must accept Romania's reunification. There is no other solution. Romania's reunification must be achieved after the country's adherence to NATO. This is a priority of our foreign policy.

[TINERETUL LIBER] Do you believe that your presidential activity could be hampered by the same forces that blocked you in your government action in Moldova?

[Druc] Definitely, this is the correct diagnosis. The same people will join forces in blocking me as well as anyone else who emerges victorious in the presidential elections and works for the country's reunification.

[TINERETUL LIBER] Why do you think that Russia insists so much on the issue of Bessarabia, when the Russian community in the Baltic republics is much larger than in the Republic of Moldova?

[Druc] Because Russia has a bridgehead—Kaliningrad—at the back of the Baltic republics and a military base that is stronger than Gibraltar and all the U.S. bases in the Pacific. So, it has solved its problems there.

Russia does not want to be pushed back 300 years, particularly since it has always dreamed of reaching Constantinople and dominating the Balkans. It does not want to lose this bridgehead and military base situated at the back of Ukraine. From the Dniester region, Russian imperialism can always control the Balkans and Ukraine and, thanks to the Tiraspol-Odessa axis, it can close down Ukraine's access to the Black Sea, if it misbehaves.

[TINERETUL LIBER] How would you react if a strange and poor family, with many children, had abusively occupied your apartment?

[Druc] I would tell them: Go find yourselves, in two or three days, another dwelling, since I am also poor and there are quite a few of you guys. We must find another solution; do not crush me.

[TINERETUL LIBER] What if we were talking about one of the country's provinces?

[Druc] Then, I would act in accordance with the Constitution. I would place myself at the head of the national army and ensure our sovereignty.

[TINERETUL LIBER] Would you start a war against a power situated to the east of Romania, so to say?

[Druc] Anyway, I would not do what happened in 1940. I would do what the Finns did, so the entire world knows we were attacked. We must remove the verb "to relinquish" from the dictionary of the modern Romanian language. We should not relinquish anything! Because it gets lost, while losing in battle is a noble way to lose.

When the security forces interrogated us underground fighters, they asked us: "Why do you want to unite with Romania? Romania does not need you, it relinquished you in 1940. Does not the fact that the Romanian bourgeois-landlord regime withdrew and accepted Moscow's ultimatum mean that it had occupied the Bessarabian territory while we came to free you?" That is what ceding means. Bessarabia was relinquished in 1940 and one month later northern Ardeal followed suit.

[TINERETUL LIBER] What if this armed resistance ends in defeat and the country's occupation?

[Druc] Then the world would know that our little country was attacked by an aggressive imperial force and defeated. Then, future generations and the world public opinion will be on our side.

Romanian Offical Vows Respect for Independence

AU1909153292 Bucharest ROMPRES in English 1028 GMT 19 Sep 92

[Text] Chisinau ROMPRES 19/9/1992—"We recognised Moldova's independence declaration which we saw as one step toward the fulfilment of the historical aspiration of the people—union of Romanian historic territories" Romania's charge d'affaires ad-interim in Chisinau, I. Bistreanu, says in an interview with newspaper "PACEA CIVICA" of Chisinau.

However, he said, Romania regards this problem with realism and respects the will "of the people on the left bank of the Prut." "Should it decide that Moldova must stay independent, then our duty would be to recognise that independence," I. Bistreanu stressed.

Both states cooperate closely in various fields but the Romanian side would not push those processes, Mr. Bistreanu said. It should not be forgotten that, apart from what Bucharest and Chisinau, the leadership and the population may like, other states try to interfere in Moldova's domestic affairs as guarantors or defenders of order, human rights and ethnic groups. "If everybody in the world began to be concerned about the fate of another state, that would lead to a farce the effects of which may be anything but amusing," I. Bistreanu commented.

Officials Receive Romania's Dohotaru for Talks

AU1809165592 Bucharest ROMPRES in English 1410 GMT 18 Sep 92

[Text] Bucharest, ROMPRES, 18/9/1992—Thursday, September 17, on the last day of his visit to Chisinau, Romanian Foreign Secretary of State Adrian Dohotaru was received by Alexandru Mosanu, president of the Moldovan parliament, Nicolae Andronati, prime vice premier of the Republic of Moldova and Mihai Coscodan, vice premier.

Mr. Dohotaru had then interviews with Nicolae Matcas, minister of science and education and Ion Ungureanu, minister of culture and religious denominations.

During the talks aspects were reviewed of the international situation, specific to the geo-political area Romania and the Republic of Moldova are in, as well as matters regarding the dynamisation of exchanges in the fields of education, science, culture and art—preliminaries to the opening of a common culture center in Chisinau.

At the Chisinau National Library an exhibition was varnished of Romanian books, donated by the Romanian Culture Ministry and Foreign Ministry, comprising about 200 titles in five million copies, worth 50 million lei.

Adrian Dohotaru appreciated his visit as "an important moment, significant for the strategy of integration and union in the field of spiritual life."

The purpose of the visit was to make it easier for the Romanians on both banks of the Prut to cross it on the strength of a simple identity card, as representatives of a common culture and civilization.

"Everywhere I went during this visit—Secretary of State Adrian Dohotaru said—we worked in an atmosphere of total concurrence of ideas. We hope the results of this visit will be felt by both sides, even in the farthest settlements where people live who speak the same language, the sweet Romanian language."

Kazakhstan

Nazarbayev Promises Cooperation With Germany

LD2109224692 Moscow ITAR-TASS in English 1535 GMT 21 Sep 92

[By ITAR-TASS correspondent Sergey Sosnovskiy]

[Text] Bonn September 21 TASS—Kazakhstan will create all conditions "within the framework of all opportunities it possesses", so that about a million ethnic Germans can stay in their motherland, president of Kazakhstan, Nursultan Nazarbayev, who arrived here today on an official visit, gave this assurance to the German leadership. Today he had a meeting with federal president of Germany, Richard von Weizacker.

During the talks between the two presidents, Nazarbayev emphasised the great interest in the development of a close cooperation between Germany and Kazakhstan, a German presidential aide informed. All ethnic Germans living in Kazakhstan must be integreted in this process. They must feel quite at home in Kazakhstan and contribute to the development of their country. In this connection Nazarbayev expressed hope that the German economy will grant investments for Kazakhstan and the German state will support reforms in the republic.

Views Relations

AU2209081392 Hamburg DER SPIEGEL in German 21 Sep 92 pp 214-221

[Interview with President Nursultan Nazarbayev by unidentified reporter; place, date not given: "Our Germans Live Better Than the Kazakhs"]

[Text] [DER SPIEGEL] Mr. President, the Soviet Empire has been destroyed, the association of states created by the Russian Yeltsin, the CIS, exists only on paper. Do you again want a common home?

[Nazarbayev] I do not have such a negative view of the CIS—it is a good thing that it exists at all. The latest CIS summits made us optimistic, if we leave aside Kravchuk's attitude. However, the economic situation will force Kiev to establish closer contacts again.

[DER SPIEGEL] Back to the old union?

[Nazarbayev] Certainly not. Kazakhstan does not insist less on sovereignty and independence than the other republics. I am not for a confederation, either. However, compared with the Europeans, who are uniting in the EC, we are even better off: The republics of the former Soviet Union have been much more integrated for decades.

[DER SPIEGEL] How do you want to bring the lost brothers together again?

[Nazarbayev] Europe is striving for a common currency, we already have one. Economic integration can alleviate many conflicts. However, if no agreement can be achieved at the next summit in Bishkek in Kyrgyzstan, the division of the CIS is inevitable.

[DER SPIEGEL] President Kravchuk wants to make do without the others, in particular without Central Asia, which needs subsidies.

[Nazarbayev] I am not offended by Kravchuk's attitude in this respect, because I know the situation in his republic. However, all people who are directly involved in production suffer from the severance of relations and the economic war.

[DER SPIEGEL] Russia is raising the oil price for its friends in the CIS and demands advance payment.

[Nazarbayev] We are not frightened by that at all. We produce 27 million tonnes of oil ourselves, while we need only 19 million. The rest is delivered to Russia, at the same price. However, it affects others: Ukraine and Belarus. If coordinating organs existed, prices, which are now causing so much trouble, could have been coordinated.

[DER SPIEGEL] Is the ruble zone supposed to be valid only for a transition period? You have threatened to introduce your own national currency, the tanga.

[Nazarbayev] Common sense commands that we keep a unified currency in this period of crisis; this is also the recommendation by the IMF. If Russia offends its partners with arbitrary decisions, independent currencies will be introduced. Kazakhstan is not afraid of that.

[DER SPIEGEL] Why did your role as a union-wide mediator not lead to success in the war between Armenia and Azerbaijan?

[Nazarbayev] There, both sides have grown accustomed to bloodshed and killing. If a third person comes and wants to mediate, he is laughed at by everyone. Azerbaijan's President Elchibey told me that he does not want Russia to get involved but that he would sit down at the negótiating table with Kazakhstan. His Armenian counterpart Ter-Petrossyan also asked us for help. We had agreed on a cease-fire as of 1 September. It is not Kazakhstan's fault that the cease-fire did not hold.

[DER SPIEGEL] You do not want to be "Russia's little brother" in any case and you have agreed with Boris Yeltsin on the joint use of the military bases in Kazakhstan and the Baykonur space center. Do you still see the danger that Russia under Yeltsin will relapse into authoritarian practices?

[Nazarbayev] This will not happen under Yeltsin. However, I do not know what will happen when Yeltsin is no longer president.

[DER SPIEGEL] Yeltsin has already threatened border corrections. The great Aleksandr Solzhenitsyn would like to amputate the north of Kazakhstan and join it with a Russian union; Yeltsin's deputy Aleksandr Rutskoy agreed. Are you not afraid of Greater Russia?

[Nazarbayev] A lot of things were said in the orgy of victory after the August coup. Rutskoy especially came to Kazakhstan to publicly recant what he said. According to the Russian-Kazakh treaty, which has meanwhile been ratified, the borders are to be permeable but inviolable. Any claim on territory would now inevitably lead to war.

[DER SPIEGEL] For a long time you insisted on Kazakhstan's nuclear potential. Has the quarrel about the power over the 104 intercontinental missiles really been settled?

[Nazarbayev] I think so. We never wanted to be a nuclear power, but the missiles were there. When the Americans recognized us as partners to the START treaty, we got the right of control over the nuclear missiles, which protects us from harm.

[DER SPIEGEL] The pragmatic Nazarbayev was one of the first to implement laws on free enterprise and free economic zones in his republic—with more success than the Russians?

[Nazarbayev] The biggest investments have now come to Kazakhstan. This speaks for itself. In the former Soviet Union a contract like the one with the U.S. Chevron corporation about the exploitation of the Tengis oil field would never have been concluded.

[DER SPIEGEL] A sellout, some of your compatriots say.

[Nazarbayev] A crude oil contract with British Gas and with Agip was also concluded, as was one with French Elf Aquitaine—dozens of billions of dollars are involved. In the meantime we have 350 joint ventures.

[DER SPIEGEL] The old party bureaucracy is still reigning in the local authorities. Will it calmly look on how you introduce capitalism in Kazakhstan with the help of South Korea and the U.S.?

[Nazarbayev] Over the past years we had to exchange many people, two or three times. Whoever is against the market and pines for the old times, should resign.

[DER SPIEGEL] What are the Germans' opportunities concerning the opening up of Kazakhstan?

[Nazarbayev] Three documents have been prepared for my visit to Bonn: A basic German-Kazakh treaty, a cooperation agreement at government level, and—very important—an investment protection agreement. No German businessman needs to fear for his investments in Kazakhstan, and investments pay off in particular for energy sources, non-ferrous metals, and the processing of agricultural products.

[DER SPIEGEL] What role is played by the Kazakh Germans in this connection? You have promised them a brilliant future but refused to give the autonomy.

[Nazarbayev] State Secretary Waffenschmidt from Bonn recently noted here that there is no trace of discrimination. Half of all CIS Germans live here. Where else can you find a German theater?

[DER SPIEGEL] Bonn wants to reduce the rising stream of resettlers. However, the Germans in Kazakhstan think your concessions are much too small.

[Nazarbayev] Okay, now they are going to get more broadcasting time on radio and television, more schools, and better contacts with their relatives in Germany—by plane, train, telephone. We will promote small and medium-sized companies. Our Germans already live better than the Kazakhs, also without privileges: They have worked for it.

[DER SPIEGEL] Then why did the German umbrella organization "Rebirth" decide to advocate the final emigration to Germany?

[Nazarbayev] It is a basic right to return to one's historical homeland. Everyone should decide this himself. However, we are willing to do everything to have the Germans stay.

[DER SPIEGEL] Does the fear of Islamization drive the Germans away?

[Nazarbayev] The Kazakhs are no religious fanatics. A reestablishment of Pan-Turkism and of the old Turkestan is not an issue for the near future. However, if the peoples speaking Turkic languages want to reestablish their broken links, Kazakhstan will take part.

[DER SPIEGEL] Iran wants to win the Central Asian republics over to revolutionary Islam, Turkey is offering a pro-western model.

[Nazarbayev] We will certainly not pave the way for Islamic fundamentalism. Many Turkish businessmen already work here, Turkish university teachers are training Kazakh students. However, this year I have also scheduled a trip to Iran.

[DER SPIEGEL] Can you imagine to belong to an Islamic economic community that reaches from the Atlas mountains to the Indus river? You have suggested the construction of a highway from Kazakhstan to Iran and to Turkey.

[Nazarbayev] The railroad will be the first thing to be completed: we are already linked with China. Soon a track will go to the Bosporus. If it is an advantage, we will enter an economic community including the Arab countries.

[DER SPIEGEL] Kazakhstan's President keeps all possibilities open for himself?

[Nazarbayev] The Muslim Union is not yet in sight, but there is the CIS. Whether we like it or not—it is a community of fate. The step into new markets and toward new partners needs time.

[DER SPIEGEL] A few hundred kilometers south of your state border, Tajikistan is drowning in civil war. Does this also give rise to dangers for Kazakhstan, which is considered to be conservative?

[Nazarbayev] Not at the moment. However, in the formerly conservative Tajikistan, politicians are not shying away from grabbing power by force. It is bad if other states interfere in Central Asian matters.

[DER SPIEGEL] This would also provide reason for conflicts in Kazakhstan. Since Stalin's policy of deportation, your country has been a conglomerate of the most different nationalities, which could start quarreling soon.

[Nazarbayev] Certainly. Under the Tsar and in the Soviet empire national feelings were oppressed everywhere; now the various nationalities are remembering their language, their culture, their history. However, the Kazakh nation has accepted its multinational character and has adjusted to it.

[DER SPIEGEL] Friendship among peoples often lasts only as long as it is prescribed.

[Nazarbayev] Our country consists of 42 percent Kazakhs, 32 percent Russians, followed by Germans in third place—by means of balanced nationality laws we are trying to keep the balance. It is not true that states that are not so ethnically mixed are calmer. The Tajiks prove the opposite, and so do the Georgians.

[DER SPIEGEL] Will we soon experience a tremor of the Central Asian states?

[Nazarbayev] It is our task to prevent that. The Tajiks are Persians, we others are Turks. We have common roots, a common fate. It is my policy to keep close contacts with Kyrgyzstan, Uzbekistan, and Turkmenistan.

[DER SPIEGEL] Is your suggestion to introduce a security system for Central Asia on the model of the CSCE dictated by the fear that the entire region might start to slide downward?

[Nazarbayev] My proposal is more far-reaching and is already supported by Pakistan, Turkey, and Iran. I mean a conference for confidence-building on the entire Asian continent.

[DER SPIEGEL] An Islamic bloc?

[Nazarbayev] This could show that Islam and extremism are not necessarily synonymous. The two world wars did not start with Islam, they started in the Christian world. With such a conference, in which China, India, and, of course, Russia would have to participate, some conflicts could be avoided and a bridge could be built to the European CSCE. It would be valuable if the Germans were to support us in that.

Prices on Bread To Rise 'Roughly' 5 Times

OW1809140692 Moscow INTERFAX in English 1315 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] On September 21, prices on bread and bread products baked from flour of all grades, and on the groats made of the grain from the state reserves will roughly go up 5 times. In November and October, non-working pensioners will receive a one-time benefit of 500 roubles.

Biannual Foreign Trade Reaches $601 Million

OW1809052592 Moscow INTERFAX in English 1747 GMT 17 Sep 92

[From the "Statistical Data" section of the weekly "Trade & Investment" feature—following item transmitted via KYODO]

[Text]

KAZAKHSTAN'S FOREIGN TRADE

	Exports	Imports	Balance of trade	Share of total (%)	
	(in millions of dollars)			exports	imports
Total	399,563	201,689	197,874	100	100
Austria	7,997	21,306	-13,309	2.0	10.6
Afghanistan	2,651	2,359	292	0.7	1.2
Bulgaria	13,035	495	12,540	3.3	0.2
UK	49,908	4,178	45,730	12.5	2.1
Hungary	4,437	19,414	-14,977	1.1	9.6
Greece	252	655	-403	0.1	0.3
Denmark	298	—	298	0.1	—
Spain	367	—	367	0.1	—
Italy	448	1,597	-1,149	0.1	0.8
Canada	—	960	-960	—	0.5
Cyprus	15,989	—	15,989	4.0	—
China	80,364	85,556	-5,192	20.1	42.4
North Korea	759	—	759	0.2	—

KAZAKHSTAN'S FOREIGN TRADE (Continued)

	Exports	Imports	Balance of trade	Share of total (%)	
	(in millions of dollars)			exports imports	
Cuba	5,572	3,030	2,542	1.4	1.5
Liechtenst	10,412	—	10,412	2.6	—
Luxembourg	7,690	—	7,690	1.9	—
Mongolia	—	197	-197	—	0.1
Holland	3,562	—	3,562	0.9	—
Poland	15,758	6,886	8,872	3.9	3.4
South Korea	5,148	154	4,994	1.3	0.1
Romania	2,616	—	2,616	0.7	—
USA	64,402	—	64,402	16.1	—
Turkey	4,964	458	4,506	1.2	0.2
Finland	16,764	14,468	2,296	4.2	7.2
France	4,110	4,245	-135	1.0	2.1
Germany	13,118	8,043	5,075	3.3	4.0
Czechosl.	7,078	920	6,158	1.8	0.5
Switzerland	2,168	—	2,168	0.5	—
Sweden	35,628	1,902	33.726	8.9	0.9
Yugoslavia	14,123	23,681	-9,558	3.5	11.7
Japan	2,533	181	2,352	0.6	0.1

Kazakhstan's foreign trade amounted to $601 m [million] in the first half of 1992, with exports and imports equal respectively to $399 m and $202 m.

The bulk of the republic's exports—55%—go industrial Western countries, whereas former socialist countries and China account for 36%. In imports, however, the latter group of countries are still in the lead, accounting for 69% of Kazakh imports in the first six months of the year. The largest importer was China whose share of imports was as large as 56%. Further down the list are Yugoslavia—9.8%, Hungary—8%, Finland—5.4% and Germany—3.5%. Goods are imported mostly under barter arrangements.

The share of raw materials in the republic's exports was 99.4%, which is 0.8 percentage points less than over the same period last year.

Kazakhstan's imports are dominated by foodstuffs (66.7%), of which more than 40% come from China. Machinery and equipment (primarily transport vehicles, metal-and stone-cutting equipment, and computers) accounted for 11% of imports. The share of non-food consumer goods was 13%.

Tatarstan Democrats Against Constitution Draft

OW1809223692 Moscow INTERFAX in English 1625 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] At a meeting in Kazakhstan several local parties and democratic movements demanded that "the official draft of the constitution of Tatarstan aimed at creating an independent government be rejected." Representatives of Tatarstan's multi-national movement "Soglasiye" ("Harmony"), another Tatar democratic reform movement "Grazhdanye Rossiskoy Federatsiy" ("Citizens of the Russian Federation"), and the separate republican people's party "Svobodnaya Rossiya" ("Free Russia") attended the meeting.

In an appeal to Tatarstan's parliament they urged that "Tatarstan sign a two-way, federal agreement with the Russian Federation to participate in Russia's economic reforms program, and to break away from the policies of entering the market gently."

Tajikistan

Commander Withdraws Troops From Key Facilities

OW2109195792 Moscow INTERFAX in English 1843 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] Russian troops began to remove guards from essential economic facilities in Tajikistan. The posts were placed around those facilities by acting President, speaker of the Tajik Parliament Akbar Iskandarov. Interviewed by IF [INTERFAX], the commander of the 201st infantry division, senior representative of Russian troops in Tajikistan, Major-General Mehriddin Ashurov has said that guards have already been removed from the Chormagzak pass, the Yevan chemical plant and the Vakhsh nitrogen fertilizer plant.

Ashurov said that Russian troops were left face to face with unlawful armed groups without any support. "I have no right to expose my men to bullets".

He said that the forces of the security committee and Interior Ministry continued to stay neutral. The division commander said that at the Chormagzak pass the military "had for three days been virtually hostages, surrounded by armed groups of 400-500 gunmen on each side".

Ashurov said that while on duty his "men were vulnerable to moral terror on the part of the local population." Local authorities turned a deaf ear to his requests for food supplies for the troops.

The sole remaining Russian post is that at the Nurek water reservoir. "There I will fight to the last cartridge", the General said. He also said that the military had removed toxic agents, including 504 tonnes of ammonium, 100 tonnes of formalin and 14 hundred tonnes of liquid chlorine from the Vakhsh nitrogen fertilizer plant.

Acting President Appeals to People for Peace

LD2109175792 Dushanbe Radio Dushanbe Network in Tajik 0500 GMT 21 Sep 92

[Speech by Akbarsho Iskandarov, chairman of the Supreme Soviet and acting president of the Republic of Tajikistan—live]

[Text] Dear fathers, mothers, brothers, and sisters: These days, the efforts and striving by the Supreme Soviet and government leadership to stabilize the political situation in the republic are not bearing satisfactory results. The political situation, instead of improving and stabilizing day by day, is further deteriorating. The blood of innocent people is being shed in a deteriorating situation in Kurgan-Tuybe Oblast, Kalininabad, Bakhtar, Vakhsh and Dangara Rayons, and Narak. The armed gangs have no wish to sit at the negotiating table and settle the issues by peaceful means.

All this has caused the further deterioration of the political situation in this oblast and those rayons. The local government bodies, in such a sensitive situation, are permitting irresponsibility, indifference, and even [word indistinct] in their activities. The armed opposing gangs, taking advantage of this attitude of the local government officials, have resorted to new crimes and have shed more blood.

All these crimes and oppression have resulted in the oppressed people of Tajikistan losing their patience. That is why the personnel of enterprises, institutions, and organizations and people from different walks of life are demanding that the Supreme Soviet and the government of the republic stop the plundering and oppression.

These days all the world's peace-loving states are showing concern over events in Tajikistan and are demanding an immediate end to bloodshed and the fratricidal war in Tajikistan. This humanitarian request was especially made at the Tajik forum in Dushanbe and at the CIS interparliamentary assembly in Beshkik. Representatives from the UN Organization arrived in Tajikistan with the objective of normalizing the unstable situation in the republic. They exchanged views with representatives of all political parties and popular organizations on the situation in the republic.

In these difficult and complicated moments for the republic, [words indistinct], and taking advantage of the presidential powers bestowed on me, I state:

1. All high-ranking local government leaders who do not implement state and government decisions, who allow inactivity and indifference, and who stay aloof of the people's agony and (?pains) will be severely punished.

2. I appeal to and warn the leaders of the armed opposing sides that they end the war and quarrels and the shedding of innocent blood within four days, beginning 21 September. Otherwise, these leaders will be declared traitors to the nation and will be punished in accordance with the law. During this period, an authoritative disarmament commission will be formed from both sides.

3. I appeal to all political parties and popular organizations not to stand neutral vis-a-vis this task, which determines the fate of the republic, to assist in putting an end to the fratricidal and shameful war, and to cooperate with the government for the unity and prosperity of the Republic of Tajikistan.

I declare to all noble Tajik people and to all other peoples and nationalities residing in the republic that the fate of Tajikistan is in your hands; only your friendship, fraternity, and cooperation can lead Tajikistan away from the abyss. Therefore, I ask you not to allow accusations, grudges, and enmity against each other. Fight against all those who are sowing the seeds of conflict, enmity, discord, and separation among us.

Emergency Line Restores Kulyab-Dushanbe Phones

LD2209095492 Dushanbe Radio Dushanbe Network in Tajik 0800 GMT 22 Sep 92

[Text] The telephone link between Kulyab oblast and Dushanbe has been restored. According to the reports from the Telecommunications Ministry of the republic, the telephone cable between [word indistict] has been cut. Due to the complexity of the situation here, the repair of this cable is simply not possible.

Today the acting minister for the Telecommunications Ministry told our correspondent that the emergency cable for Kulyab has been linked with Dushanbe. By using the telephone number 307, it is possible to contact Kulyab oblast. With the normalization of the situation, the main cable can probably be restored.

Kurgan-Tyube Tensions; Border Violations Continue

LD2209141292 Moscow ITAR-TASS in English 1348 GMT 22 Sep 92

[By ITAR-TASS correspondents Vladimir Gondusov and Galina Gridneva]

[Text] Dushanbe September 22 TASS—Despite the measures taken by Tajikistan's leadership in the recent days, the situation in the republic does not improve. Contradictory information comes from government sources, representatives of parties, press centres of various departments. However, there is the common opinion that a most complicated situation persists in the Kurgan-Tyube region. The exchange of fire continues there.

According to the information of the national security committee of the region, cars there are often seized by unidentified armed persons. There is no communication with the city of Nurek, a centre of the power industry. Guards from the Kulyab side continue to control the city. According to the information of the Interior Ministry, Shar-Shar and Chormagzak passes are also under the control of the Kulyab side. Residents of a number of populated localities leave their houses and stream to Dushanbe. They fear to land in the epicentre of another conflict. Dozens of these people gathered near the building of the parliament on Tuesday [22 September]. They demand that the Tajik leadership establish order in the republic.

The situation in Dushanbe seems calm. Transport, enterprises, trading and other establishments function. However, with the onset of dark, the streets are deserted. Crime is rampant. Some 20 cars were stolen on the night from Monday to Tuesday. Two armoured carriers were captured.

Tension persists on the Tajik-Afgan border.

"There are many illegal attempts to cross the border", Lieutenant Colonel Mikhail Borisov, chief of staff of the Pyandzh border guards district of the Russian border troops, told TASS. "Three persons were detained on Tuesday, attempting to cross from Afghanistan to Tajikistan. Many violators offer resistance, and frontier guards have to shoot to hit. As many as 265 people were detained along the nearly 300-kilometre stretch of the frontier guards unit over five months. As many as 92 submachine guns, 36 pistols, seven grenade launchers, 17 machine guns, 260 grenades and a large amount of ammunition, also of foreign make, were confiscated.

New Casualties Near Kofirnikhon District

LD2109154192 Moscow ITAR-TASS in English 1252 GMT 21 Sep 92

[By ITAR-TASS correspondent]

[Text] Dushanbe September 21 TASS—New casualties were reported in Tajikistan during a clash late on Sunday [20 September] between warring groups on the Dushanbe-Kulyab highway near the administrative centre of Kofirnikhon district.

"At present the situation there is under control of interior and security forces and Russian Army units. There are no grounds for panic", the press centre of the Interior Ministry informed, but did not disclose the exact number of casualties.

Kulyab guards are still maintaining their strongholds at the Nurek mountaneous hydro power station, according to unconfirmed reports.

Crime is on the rise in Dushanbe, according to Mukhmudzhon Narziyev, spokesman for the Interior Ministry. The number of stealings and car thefts has increased of late, he said.

Demonstrators Demand Supreme Soviet Take Action

LD2209084592 Dushanbe Radio Dushanbe Network in Tajik 0120 GMT 22 Sep 92

[Text] Yesterday, a group of people gathered around the building of the Supreme Soviet. The participants in the gathering seriously demanded from the Supreme Soviet that it take serious measures for the stabilization of the political situation in the republic and for ending the fratricidal war.

UN Team Ends Visit; To Report to Butrus-Ghali

LD2109124492 Moscow ITAR-TASS in English 1136 GMT 21 Sep 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe September 21 TASS—A U.N. fact-finding mission completed its trip to Tajikistan and will report on its results to U.N. Secretary General Butrus Butrus-Ghali, according to head of the mission Raimond Sommereince.

The mission which left Dushanbe on Monday [21 September] held meetings with leaders of various parties and communities of the Central Asian republic and visited the "hotbeds" of tension in Kurgan-Tyube and Kulyab regions of Tajikistan.

Border Guards End Talks With Afghan Rebels

OW1809142192 Moscow INTERFAX in English 1315 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] Russian borderguard officials and Afghan rebel field commanders ended talks on Thursday [17 September] in the area of Tajik-Afghan border by discussing the possibility of a meeting with one of the rebel leaders, General 'Abdol Rashid Dostam, and the observance of the 1928 border treaty signed by Afghanistan and the former Soviet Union.

Agreement Signed Between Dushanbe, Afghan City

LD1909171792 Dushanbe Radio Dushanbe Network in Tajik 1200 GMT 15 Sep 92

[Excerpt] An agreement on mutual economic and social cooperation was signed today in the executive committee of the city of Dushanbe between the mayors of Dushanbe and of Mazar-e Sharif, Afghanistan. Here is a report by our reporter Karim Musa:

[Correspondent Musa] Esteemed listeners, if you remember, a delegation from the city of Mazar-e Sharif visited Dushanbe, the capital of the Republic of Tajikistan, between 11 to 17 July 1991 at the invitation of Maksud Ikramov, the former mayor of Dushanbe, and signed an agreement on the two cities becoming twin cities.

In accordance with the twin-city agreement, both sides agreed to sign cooperation agreements in various fields. It is a pleasure that this protocol of cooperation was signed today. The protocol-signing ceremony was attended by Mirzotimur Mirzoyev, the mayor of Dushanbe; his deputy [name indistinct]; Mir Abdurrahman Ansari, the governor of Balkh Province [Afghanistan]; and Mohammad Rasul, the mayor of Mazar-e Sharif.

Following the signing ceremony, I spoke to Mirzotimur Mirzoyev, the mayor of Dushanbe, and Mohammad Rasul, the mayor of Mazar-e Sharif.

[Begin recording] [Musa] Esteemed Mirzoyev, Article 9 of the agreement, which has been just signed, envisages direct flights between Dushanbe and Mazar-e Sharif. Can you please tell us how these flights would take place? Whether there would be free movement or passports (?would be needed)?

[Mirzoyev] As your are aware, our contacts with the Republic of Afghanistan have (?increased) recently. [sentence indistinct] We have come to a conclusion that flights should begin from the city of Dushanbe to Mazar-e Sharif and vice versa. [passage omitted] [end recording]

Protocol Signed With U.S. on Business Cooperation

LD1909181592 Moscow ITAR-TASS in English 1840 GMT 18 Sep 92

[By "KHOVAR"-TASS]

[Text] Dushanbe September 18 TASS—The State Committee of Tajikistan for Foreign Economic Relations and the U.S. Agency for the Development of Cooperation with Central Asian Republics signed on Friday [18 September] a protocol of intentions in the sphere of business cooperation.

In November, the U.S. agency will open its office in Dushanbe to expand contacts with foreign companies to study the prospects for U.S. investments in the Tajik economy.

The U.S. agency will also train Tajik personnel. A Tajik American business institute will be set up to train Tajik entrepreneurs and officials. There are plans to conduct special seminars and invite foreign experts to develop entrepreneurship in Tajikistan.

The protocol provides for studying the prospects for development projects.

World Tajik Association Founded in Dushanbe

LD2209133992 Moscow ITAR-TASS in English 0809 GMT 22 Sep 92

[By TIA KHOVAR correspondent Irada Guseinova]

[Text] Dushanbe September 22 TASS—Tajiks and other Persian-speaking people living around the world have been called to strengthen their ties by a new world association established in Dushanbe.

The decision to set up a world association of Tajiks and Persian-speaking peoples was made at forum of Tajiks held in the capital of Tajikistan in the middle of September.

The new public organisation will help Tajiks living abroad [to] establish contacts with their compatriots in Central Asia. It plans to attract the attention of Tajiks around the world, and through them of the world community, to the problem of the sovereign Tajikistan's economic, scientific and cultural development.

The association board includes representatives from Afghanistan, Iran, Pakistan, Saudi Arabia, America and Tajikistan. Many of them are poets, writers, scholars and public figures.

Tajik scientist Professor M. Asimi heads the association.

Armenia

President Views Karabakh Conflict, Commonwealth

OW2109183592 Moscow INTERFAX in English 1642 GMT 21 Sep 92

["Exclusive" interview with President Levon Ter-Petrosyan by unidentified correspondents; place, date not given; from "Presidential Bulletin"—following item transmitted via KYODO]

[Text] Q: The economic blockade is becoming a big problem in Armenia, making life ever harder for the Armenian people. What steps are you going to take in order to find a way out?

A: Azerbaijan's railway blockade of Armenia has caused billions of rubles worth of damages to the Armenian economy for the past three years. The sole way connecting our republic with other CIS member-states lies through Georgia, a country we have had customarily friendly relations with. However, the unstable situation in Georgia proper and the conflicts in Ossetia and Abkhazia have now and then cut this sole line of communication. In that zone hostilities are under way, bridges are being exploded and uncontrolled armed groups have been ambushing trains and truck convoys. We, who fail to receive adequate supplies of foodstuffs and fuel, are not the only ones who suffer. Virtually all member-countries of the CIS are affected. The blockade has made it impossible for Armenia to deliver its own products to outside customers. In a word, it is clear to one and all that the blockade must be brought to an end, because it benefits no one. For that reason we have been having systematic consultations and talks with Georgia and Azerbaijan. I am certain that in the near future the Abkhazian conflict will be settled, that railway traffic through Georgia will resume. I also hope that Azerbaijan will become aware of the futility and insanity of the blockade. Alongside these consultations we have been looking for other routes of supply through Iran and Turkey. There has been certain progress in that field, too.

Q: What do you think is the reason for the frustration of agreements between Armenian and Azerbaijan for settling the conflict, concluded with the mediation of Russia, Kazakhstan, Iran and the CSCE? What do you think could promote a successful dialogue between Armenia and Azerbaijan? How do you see the idea of your personal meeting with President Abulfaz Elchibey, of Azerbaijan?

A: I have no doubts about the goodwill of all the mediators you have mentioned, and I am grateful to them for their sincere concern about restoring peace to the region. However, the mechanism of negotiations established by those mediators there has one essential technical flaw. The problem of Nagorno-Karabakh is brought to the forefront and that puts the negotiations in a stalemate at once. In the meantime a cease-fire must be question number one. That model has been used with success already in Trans-Dniester and Ossetia. Take note of the fact that cease-fire negotiations were held between Moldova and Trans-Dniester and between Georgia and Ossetia. Under the same logic Azerbaijan should in the first place have negotiations with the legally elected authorities of Nagorno-Karabakh. So far it has been reluctant to do so and tried to drive the people of Karabakh from their homeland. Naturally, the people of Karabakh have offered armed resistance and the war has been going on and on. If the mediator countries become aware, that the Karabakh conflict is confined to armed confrontation between Azerbaijan and Karabakh, it will be possible to put an end to the bloodshed. A cease-fire must be established with the help of a peace-keeping force, rival factions disengaged and then the status of Nagorno-Karabakh discussed in cold blood. As far as a meeting with Abulfaz Elchibey is concerned, it is possible in principle. But such a meeting must be thoroughly prepared. The appropriate conditions must be established in order to ensure productive summit talks. A cease-fire in Karabakh would be a good pre-requisite for such a meeting.

Q: What do you expect of your visit to the United States? What hopes do you pin on the CIS summit in Bishkek? What is your attitude to Nursultan Nazarbayev's proposals for closer ties among the CIS member-states?

A: The main aim of my visit to the United States is a speech at the UN General Assembly session. Besides, I will have meetings with senior U.S. officials and representatives of the Armenian diaspora of North America. There is a totally new political situation in the world. The collapse of totalitarian regimes has brought into being many newly-liberated states. However, the collapse of the empire has produced conflicts, too. Some of them have developed into armed confrontation. In that situation the role of the United Nations must be enhanced. That organization has the necessary moral potential and authority, as well as the technical facilities and material resources to deal with the most complicated problems. I deeply respect the UN Secretary-General Butrus-Ghali. I believe that in the wake of his election to that post the United Nations has been stepping up its role in world processes in earnest.

Concerning the CIS. Armenia was one of the first to support the idea of the Commonwealth. I am certain that the process of disintegration and collapse must be phased out by constructive cooperation. We must abandon euphoria over newly acquired independence in favour of pragmatism and sober analysis. This implies the restoration of frustrated economic ties. So far the CIS has been signing useful documents, but the lack of effective machineries to effect them has been discrediting those documents and the idea of the Commonwealth as such. We are for integration and cooperation, but we will not take a single step that would run counter to the declaration of Armenia's independence. The Bishkek summit conference should help produce new mechanisms of cooperation. As for President Nazarbayev's ideas, we have no official text of his proposals yet. We are familiar only with information that has already appeared in newspaper reports. I am not prepared to assess those initiatives. As soon as we have the official documents, we will study them closely and express our attitude to them.

Q: Are the Armenian authorities going to demand the withdrawal of Russian troops? If "no", what do you think the status of those troops should be? If "yes", what are the likely deadlines?

A: We are not going to demand that the Russian troops should leave. President Yeltsin and I signed an important treaty on August 21 establishing the status of Russian troops in Armenia.

Q: Last summer saw an upsurge in the activity of the opposition in Armenia, led by the "Dashnaktsuyun" party. The opposition demanded the resignation of the President. What is your reply to the Opposition?

A: We are interested in Armenia having a strong Opposition that would offer its fundamentally different approaches to various problems. There are all the appropriate conditions for such an opposition. Opposition parties have been publishing dozens of newspapers and their representatives have been appearing on television, holding rallies and using the rostrum in parliament to explain their ideas. However, all those statements are confined to pointing to the generally known failures or shortcomings. No serious positive programs have been declared yet. Let's suppose I don't understand the real thrust and uniqueness of their ideas. But I have more than once urged the Opposition to present their ideas to the people and called for a referendum on confidence in the President. However, the Opposition does not want any referendums. What this indicates - you judge for yourself. You say that the Opposition became more active last summer. If you were referring to the rally in front of the presidential palace in support of the demand for my resignation, this is not serious. I would like the opposition to become more active in earnest and to aim its criticism of the authorities at fostering Armenian statehood. Fortunately, there have already been indications of such cooperation.

Prime Minister Says Turkey To Supply Grain

NC2209171292 Yerevan SNARK in English
1005 GMT 22 Sep 92

[Text] Yerevan, 22 Sep (SNARK)—Khosrov Arutyunyan has informed the SNARK reporter on the fact that Suleyman Demirel, the Turkey Prime-Minister, has expressed his consent to supply Armenia with grain. Speaking to the fifth session of the Armenian Supreme Soviet, Arutyunyan has underlined that supplying Armenia with the goods through the territory of Turkey is the most reliable way for Armenia. Speaking on the Armenian economics, Khosrov Arutyunyan has said that the volume of the non-realized products is equal to 10 billion roubles, the general ammount of unpaid salary is 1.5 milliard [billion] roubles. The Armenian Prime-Minister was declared that the Armenian Government is working out the program of the Karabakh economics renewal. It is expected to be confirmed in the nearest future.

There was signed the agreement on ceasing the fire at the Armenian-Nakhichevan border. [sentence as received]

Radio Updates 'Worsening' Combat Situation

NC2109155592 Yerevan Radio Yerevan in Azeri
1330 GMT 21 Sep 92

[Excerpts] Dear listeners, we now present a report on the latest incidents in the Nagorno-Karabakh Republic [NKR] and the Armenian rayons on Azerbaijan's border:

The situation in Nagorno-Karabakh is gradually worsening. The Azerbaijan National Army [ANA] units have maintained their combat operations in [word indistinct] areas. The residential areas and rayon centers close to the NKR border have been intensively fired on with various kinds of arms. The Armenian self-defense forces have returned the fire in all directions [words indistinct].

The Armenian self-defense forces launched a counterattack after warding off an enemy onslaught in Mardakertskiy [Agdere] Rayon on 18 September. They evicted the usurpationist units from Vaguas, which is a strategically important town, and captured several hills around it as a result of the violent clashes in the area. Several Azerbaijani troops were killed and many others were wounded. The Armenian side lost seven men. Positional clashes are being waged at present. The Azerbaijani units suffered dozens of casualties the previous day during their attack in the direction of Karabulakh in Askeranskiy Rayon. The enemy also lost many military vehicles. One Armenian fighter was killed and several others were wounded. The Azerbaijan Armed Forces [AAF] lost nearly 100 men in their attacks on Abdal, Gyulably, and [placename indistinct] on the same day.

The AAF units lost 275 men and eight tanks in their wide-scale attacks in Martuninskiy and Askeranskiy Rayons on 19 September. The ANA units launched a new attack on Machkalashen in Martuninskiy Rayon early on 20 September. The Armenian self-defense forces steadfastly held their positions and warded off the attack. They also counterattacked and evicted the usurpationists from the rayon. The Armenian side lost four men, while the ANA units suffered dozens of casualties. [passage omitted]

The ANA units tried to redeem their losses by launching new air attacks on the peaceful residents on 20 September. Stepanakert and [placename indistinct] were bombed at 1600. Four peaceful residents were killed and 19 others were wounded in the bombing. One of Azerbaijan's MiG-25 aircraft was hit during the attacks. It crashed in Askeranskiy Rayon. It is believed that the pilot died and went to hell when his aircraft was hit.

Several towns in Askeranskiy Rayon were shelled from Agdamskiy Rayon with artillery guns, rockets, and tanks last night. The Armenian side returned the fire.

The ANA units have fired on the corridor which links Nagorno-Karabakh with Armenia yesterday and today. Furthermore, they launched a new attack on the corridor. Nevertheless, they failed to achieve their objective and were forced to retreat after suffering many casualties. The Azerbaijani units also lost several military vehicles. The Armenian self-defense forces continue to maintain their control over the humanitarian corridor.

The situation in the border region between Armenia and Azerbaijan continues to be unstable. Exchanges of fire and clashes have taken place in various parts of the border every day. The AAF units have frequently fired on Kapan city during the past few days. Adarak and [placename indistinct] also have been fired on. (?Four) people were killed and [words indistinct] were wounded in Kapan. There also is damage in the city. The Armenian side returned fire and tried to silence the enemy positions.

Exchanges of fire and clashes have taken place in the other parts of the border area. The Azerbaijani side has used every opportunity to escalate the situation. The Armenian side has been forced to take retaliatory measures. The firing must stop so the confrontation can end. Resolving disputes and problems through war is impossible.

Minister Says Karabakh Key to Armenia's Future

NC2209075492 Yerevan ARMENPRES International Service in Armenian 1215 GMT 21 Sep 92

[Text] Vazgen Manukyan, acting state minister on defense issues, held a news conference at the Armenian Supreme Soviet on 19 September.

As expected, the problem of Nagorno-Karabakh and Armenia's defenses formed the central theme.

The acting state minister stressed that Nagorno-Karabakh is the key to Armenia's future. It is a fundamental problem that has again come to the state's attention. Those who believe we can lose Nagorno-Karabakh and still build a state in Armenia are mistaken. If we lose Nagorno-Karabakh, we will lose everything and will be dispersed worldwide.

Vazgen Manukyan expressed the hope that talks and negotiations on Nagorno-Karabakh would continue and mutual concessions would be made and peace established. These require strength and unity, so a competent Army and an effective military industry must be created to force others to heed us. The most important factor is our people's belief and conviction in their own powers, which will play a decisive role in our struggle. Morally and psychologically, the republic's atmosphere must be improved.

Manukyan answered questions on correlating forces, military doctrine, discipline in the Army and military structure, and reducing social tension, on relations with CIS countries, particularly Russia, and on radical specific and overall defense reforms. Particular attention was paid to strengthening the fight against criminal elements and corrupt officials and to increasing efforts in information.

UN Refugees Mission Arrives in Armenia

PM2209130192 Moscow IZVESTIYA in Russian 18 Sep 92 Morning Edition p 2

[Report by Sergey Bablumyan: "UN Mission Studies Refugee Problem in Armenia"]

[Text] Yerevan—The UN refugee mission which has arrived in Armenia began its work by meeting Vladimir Movsisyan, head of the republic's State Administration for Refugee Questions.

"The mission has visited Armenia at our government's request and over the next seven days will study a socioeconomic problem that is extremely topical for us," Vladimir Movsisyan told your IZVESTIYA correspondent. "We are expecting assistance above all in providing refugees with prefabricated mobile homes, food, and medicine, and we also hope to resolve the problem of funding with regard to the unfinished construction of housing for homeless people."

There are now a total of 275,000 refugees in Armenia, roughly 15,000 of whom have only arrived in the republic in the past two months. They are in a particularly dramatic position: Dozens of women, children, and old people are in Yerevan without a roof over their heads.

Azerbaijan

Minister Offers To Take Peace Plan to Yerevan

LD2209111192 Moscow Russian Television Network in Russian 1000 GMT 22 Sep 92

[Report by correspondent V. Nakhysh; from the "Vesti" newscast]

[Text] Unfortunately, not one of the moves taken to end the Karabakh war has made any impact so far. Irrespective of nationality and religion, all politicians, observers or just born altruists want to see the war ended only through peaceful means. They want this, but that is as far as it goes.

Azerbaijan Defense Minister Rahim Gaziyev today officially announced his lack of faith in the Armenians and their desire to seek an end to the bloodshed and war by peaceful means. He added that he was ready to fly to Yerevan with a peace plan for Karabakh—truly sensational. Asked what was holding up this humanitarian act, Rahim Gaziyev replied that the Armenian leadership has yet to react to our requests.

Meanwhile, as the Azerbaijan defense minister's official proposal is left up in the air in Yerevan, the truce in Karabakh has been broken again, and tomorrow both Azeris and Armenians will continue to die.

Minister Urges Leaders To Develop Armed Forces

OW2109190492 Moscow INTERFAX in English 1641 GMT 21 Sep 92

[Report prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from the "Presidential Bulletin" feature—following item transmitted via KYODO]

[Text] "The instinct of self-preservation makes us build armed forces before taking up economic and political reforms," President Elchibey announced on Sunday [20 September] during the oath-taking ceremony at the Baku combined-arms military college.

Azeri Defence Minister Rakhim Gaziyev, Azerbaijan's second most popular politician, urged the Azeri leadership "to be more attentive to the needs of the developing armed forces, whose formation should become a national cause". If we fail to build an army of our own, we shall be doomed to feeding an alien army, he said.

IF [INTERFAX] Note: Elchibey has passed the decree on marking October 9 as the day of national armed forces. On October 9 a military parade will be held in Baku under the command of Chief of the General Staff Major-General Nureddin Sadykhov [name as received]. The parade will be inspected by Rakhim Gaziyev.

Karabakh Fighting Continues Despite 'Ultimatum'

NC2109161492 Baku AZERINFORM in English 1438 GMT 21 Sep 92

[Text] Baku, 21 Sep (AZERINFORM)—Fights continue in upper Karabakh, though the date of two-day ultimatum of Azeri headquarters to the Armenian expeditionary forces is over today. It demands withdrawal of the Armenian troops from the Azeri territory at the time fixed. What is more, according to the reports from the fighting areas, military actions strengthened.

The Armenian armed forces tried to return [to] strategic positions, which were liberated by the Azeri National Army before. During last Sunday's counter-attacks the Armenian troops lost 8 tanks, 7 armoured vehicles, over 550 soldiers. About 40 soldiers were killed and over 200 were wounded from the Azeri side. That day the villages of the Lachin area were bombarded with the enemy's helicopters. There were killed and wounded.

According to the information-analytical center of the Azeri defense minister, Azeri troops continue to let pass columns of peaceful population through the Lachin corridor to Armenia, but prevent to transfer military equipment and enemy soldiers. Azerbaijan border villages of the Zangelansky, Tavuzslay and Kdagekskiy areas were shelled last night. The situation remains very tense in Sadarak village of the Nakhichevan Autonomous Republic, where 7 soldiers were killed. According to the information of the military department, fights for Shusha's liberating are going on around the Khodzhas Mountain.

Georgia

Shevardnadze Threatens To Resign if No Elections

OW2109141992 Moscow INTERFAX in English 1346 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The Chairman of Georgia's State Council Edward Shevardnadze believes that "Georgia's future depends" on the parliamentary elections scheduled for October 11. In his address to the nation broadcast on Monday [21 September] he warned that if elections fail to be held, "chaos followed by a military dictatorship will engulf the country." If this happens, he will have to resign, E. Shevardnadze declared.

With reference to developments in Abkhazia, the head of Georgia's State Council said that the main reason why the ceasefire agreement was violated in the autonomous republic is that "the trilateral commission (on control and inspections in Abkhazia: IF [INTERFAX]) has been incapable of organizing its work." According to E. Shevardnadze, "It's impossible to observe what is happening in Abkhazia from Sochi; it's necessary to work more actively in Sukhumi and in Gudauta; it's necessary to strictly monitor compliance with the ceasefire agreement and control the movements of Abkhazian paramilitary units."

"I don't think that to remove North Caucasus mercenaries from the territory of Georgia will be a great problem, if Georgia and Russia continue to adhere to the stand they worked out in Moscow (on September 3)", E. Shevardnadze said. This was discussed last Sunday in Sochi between the Georgian Defence Minister Tengiz Kitovani and his Russian counterpart Pavel Grachev. "I believe that they reached mutual understanding in this area", E. Shevardnadze said.

Despite the complex situation in Georgia, on Tuesday he'll fly to New York where he intends to address the U.N. General Assembly, E. Shevardnadze said.

Abkhazia Declares Elections Resolution Invalid

OW2109212792 Moscow INTERFAX in English 1848 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The Presidium of the Abkhaz Supreme Council who is now in Gudauta ruled to consider the resolution "On elections to the parliament of Georgia" adopted by the Georgian State Council to be "not valid" on the territory of the autonomy. By the same decision the elections to the Georgian Supreme Council in Abkhazia are declared illegal.

The Presidium of the Abkhaz parliament also urged the Abkhaz population not to take part in the elections to the Georgian parliament.

The parliamentary elections in Georgia are scheduled for October 11, 1992.

Shots Fired at Council Building; No Injuries

LD2109234992 Moscow ITAR-TASS World Service in Russian 2306 GMT 21 Sep 92

[By Mikhail Kasoyev, ITAR-TASS freelance correspondent]

[Text] Tbilisi, 22 Sep—Unknown persons fired several shots from automatic weapons at the State Council building in the Georgian capital during the evening of 21 September; an extraordinary sitting of the Republic's State Council was taking place at the time.

As reported to an ITAR-TASS correspondent in the offices of the assistant to the State Council chairman for national security, two versions of the incident exist. It is believed that the shots could have been fired from a car driving past the building or from the roofs of adjoining blocks of apartments.

[Moscow ITAR-TASS in English at 0940 GMT on 22 September adds the following: "The Georgian mass media circulated on Tuesday the official version of a night incident in Tbilisi when several shots were fired on the State Council building.

["According to the version, a drunken passer-by walking nearby the State Council building fired several shots into air from his pistol.

["The guards of the State Council which held a special session at this late time, returned fire.

["The ITAR-TASS news agency learnt at the State Council that there were no casualties during the incident. However, some officers guarding the State Council have a different version: unidentified people fired from the roof of a house on the opposite side of the Rustaveli Avenue to determine the degree of the building's protection."]

Abkhaz Commission Wants Hostages Released

LD2109221592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2000 GMT 21 Sep 92

[From the "Novosti" newscast]

[Text] The trilateral commission on a settlement in Abkhazia has called on Georgia and Abkhazia to immediately release all hostages. The commission has ascertained that despite all the agreements shooting persists in Abkhazia is continuing. People are dying there everyday.

Abkhaz Faction Seeks To Present Case to Russia

OW2109212692 Moscow INTERFAX in English 1848 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The Georgian faction of the Abkhazian parliament has asked the leaders of the Russian parliament to give the "adequate conditions" to explain its version of the situation in the autonomy at the Russian parliament session. The representatives of the faction believe that this will "create the opportunity to impartially inform the Russian lawmakers about the real state of affairs in Abkhazia".

The appeal sent to Moscow on Monday [21 September] says at the same time that the inclusion of the situation in Abkhazia in the agenda of the Russian parliament's session was an attempt at open interference in the affairs of sovereign Georgia and the revision of the final document of the Moscow meeting of September 3 1992.

Last week a number of members of the Abkhazian faction of parliament asked the Supreme Soviet of Russia to include the situation in Abkhazia in the agenda of the forthcoming session.

Caucasian Peoples To Hold Emergency Congress

OW2109192292 Moscow INTERFAX in English 1705 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The presidium of the Confederation of Caucasian Peoples has decided to hold an emergency congress of Caucasian peoples on October 2nd, according to reports by the independent Azeri news agency "AN". The Confederation was influenced in its decision to call the conference by the escalation of the conflict in the region.

It is expected that the conference will appeal to the warring sides (Georgia and Abkhazia) to resolve the conflict by peaceful means, according to the news agency.

Caucasian 'Mercenaries' Acting Independently

OW2109201592 Moscow INTERFAX in English 1849 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The press center of the provisional headquarters for situation control in Abkhazia and Sukhumi advise INTERFAX that the negotiation process has been blocked between the Georgian and Abkhazian sides since all the earlier agreements are ignored by the mercenaries from the Confederation of the Caucasian Peoples.

In the meantime, according to the military intelligence accounts, the mercenaries are no longer reporting to Gudauta—the seat of the Abkhazian leadership—and are acting on their own. They are raiding and marauding not only Georgian, but also Armenian and Abkhazian population as well. In the area of Gudauta, the mercenaries, reportedly, have made up a convoy of over 50 trailered trucks loaded with plundered goods. Now, they are trying to take all this to their home-country detouring Gagra. According to the press center report, nearly 300 residents of the Armenian village of Aragich, Aramchir region, assembled at the bridge over the river Kodori Monday morning. They lodged an appeal to the Georgian unit there asking protection from a group of armed Chechens who had just entered the village. They claimed that the Chechens forced all of them from their homes and plundered their houses.

On the same day in Gagra, the residents of the town asked the Georgian authorities to begin an attack at the Dzyb gorge with concentrations of the Caucasian Confederation forces. Otherwise, Gagra residents claimed they would initiate an attack without the support by the military.

Abkhazia Says Russian Army Giving Arms to Troops

OW2109132792 Moscow INTERFAX in English 1047 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The press-center of Abkhazia's Supreme Soviet has charged the Russian Army units deployed in Georgia with transferring arms to the troops of Georgia's State Council.

According to a statement from the press-center, the transfer includes artillery guns, fire arms, 100 and 250-kilogram-aviation bombs, and GRAD installations. "Part of the military hardware is at the Sukhumi airport already", the document says.

"These actions run basically counter to the spirit and letter of the final document signed in Moscow on September 3, 1992. The continuation of such a policy will lead to the extermination of the civilian population and to the escalation of the conflict", says the statement.

Deputy Proposes Trilateral Military Forces

OW2109212492 Moscow INTERFAX in English 1850 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] A political settlement in Abkhazia is possible if the agreements reached between Russia, Georgia, and Abkhazia are observed in full, announced Deputy of the Abkhazian Parliament Yuriy Voronov at a press conference Monday [21 September] in Moscow. As the first steps toward the settlement he called for trilateral military forces to be brought into the autonomous republic, and for the securing of legitimate powers in Abkhazia.

Voronov added that along with these measures, the militarized groups of volunteers from Northern Caucasia who participated in the fighting on Abkhazia's side should be disarmed.

Concerning Russia's role in the conflict, Abkhazian parliamentary deputy Zurab Achba noted that Moscow should promote a cease fire, the separation of the opposing sides, and the opening of a dialogue between them.

Vice Premier Discusses Economy, New Currency

AU2209104392 Tbilisi SVOBODNAYA GRUZIYA in Russian 18 Sep 92 p 1,2

[Interview with Roman Gotsiridze, deputy prime minister, by Irina Adamashvili and Svetlana Martynyuk; place, date not given: ""The Worst Is Already Behind Us""]

[Text] **[Adamashvili, Martynyuk] Mr. Vice Premier, how would you assess the situation that has taken shape in the republic's economy?**

[Gotsiridze] It cannot be assessed in isolation from those processes that are taking place in the ruble space and in regions of Eastern Europe. The situation is, of course, complex.

The privatization program will be implemented very quickly. It is being delayed today by certain technical difficulties and preparations for the elections.

[Adamashvili, Martynyuk] The most positive thing in the economic situation that has taken shape in the republic is that, in spite of a substantial drop in the standard of living, an important shift has occurred: The principal paths and determining trend have been mapped out, whose abandonment is impossible and there is no force that can turn everything back. We have crossed a certain threshold; we are fully aware of what we have done, and this is the most important thing. The main result has been the creation of conditions for an irreversible process and a guarantee that, if it does not move forward, it will at least not regress.

What is your attitude to the method of "shock therapy" in the economy?

[Gotsiridze] What we define as "shock therapy" in classic economics is denoted by the term monetary financial policy, that is to say when a liberalization of the economy is under way. This method brings good results where there is a strong government oriented toward a clearly elaborated economic policy and where politicians and the authorities do not surrender to populism. In the conditions in which Georgia and the CIS republics now find themselves, where political factors hold sway over economic ones, social sentiments always bring modifications to economic policy, which turns monetary policy into an object of political change. It is transformed from a purely market system of regulating the economy into some kind of symbiosis, a hybrid of social-populist and monetarist manipulations.

There is no "shock therapy" of any kind here. The economy is undergoing combined treatment, which is insufficiently effective. We will gradually transfer to purely market methods of regulating the economy but, in order to do this, we have to educate not only the population but also those who are coming to power.

Mass consciousness predominates in the republic: The people are elaborating banal economic concepts that are influencing the representatives of political parties. The ruling elite is becoming narrow-minded. The process of educating the masses in the spirit of market values, political pluralism, and democracy is not developed here. We have to introduce "Westernism" into this process. In order to implement such changes, support for the government and a vote of confidence in it are simply essential; people will not accept these ideas without them.

[Adamashvili, Martynyuk] In conditions when society is being increasingly stratified into the rich, poor, and very poor, what levers of social protection will be implemented?

[Gotsiridze] Let's look at this question through the prism of privatization. Some enterprises may already today be obtained virtually free of charge. Because of the indexation of the population's investments, we have succeeded in doubling them. As a result of this measure, an additional 14 billion rubles have been received that can already tomorrow be used for privatization. They cannot be spent as investments are frozen for one year. On the other hand, while money is not being transferred, it is being destroyed by inflation. One solution is to invest these resources in privatization. For example, the inhabitants of an apartment bloc containing a food store can privatize it by creating a joint stock company.

From 1 January, privatization checks will be introduced and this mechanism will weaken the stratification of society into the rich and very poor. There is an aspect of social justice in the distribution of state property. However, the distribution can never be absolutely just and the stratification of society is unavoidable. Yet, this will be a society of the rich and less rich and not the rich and very poor.

[Adamashvili, Martynyuk] The introduction of a Georgian currency—is this something that will happen in the foreseeable future or is it still a long way off?

[Gotsiridze] It is not difficult to allocate approximately three million dollars for the printing of the currency especially as we have already received offers from Western firms; negotiations are under way as is work on its design. However, in spite of patriotic feelings, we will not rush ahead as the premature introduction of our own currency could cause considerable damage to the republic's economy. Yet, there is no doubt that we will introduce our own currency since the very process of the disintegration of the ruble space will result in a multicurrency space sooner or later. Even Russia is stepping up the creation of its own monetary system. I believe this will happen in Georgia in seven to eight months, a year at the outside.

[Adamashvili, Martynyuk] Commercial and state banks in Georgia—are these friends or rivals?

[Gotsiridze] Bank reform is proceeding very slowly here. A distinct two-tier banking system has not been created: There is a central bank, the so-called National Bank, that is the bank of banks and elaborates a common policy but is today, to all intents and purposes, a patron of the state banks. However, there cannot be a place here for a protectionist policy toward state structures. Credit is now given only to state banks but they are also under the dictate of the government that, to all intents and purposes, has been transformed into a credit organization.

We have many commercial banks but they are very weak at the moment.

[Adamashvili, Martynyuk] We survived a difficult winter. What is in store for us this winter?

[Gotsiridze] There will be no hunger this winter. People do not die from hunger in a place where there are goods. One can buy everything in the republic today whereas before goods had to be obtained somehow. Although prices are too high for the overwhelmimg majority of the population, the deficit has been liquidated. We have achieved this at a high price, at the cost of a sharp drop in the standard of living. The positive aspect is that this has happened very quickly, which serves the development of a market mechanism.

Frankly speaking, we could have chosen not to take such unpopular measures before the elections. We could have left everything as it was. However, we would have lost time and it would have been difficult to make it up later. The present government has done its work honestly. Although more could have been accomplished....

Estonia

Supreme Council Chaiman Ruutel Thanks Voters

OW2109211292 Moscow BALTFAX in English 1853 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] BALTFAX received Monday [21 September] the text of address of a candidate to the Estonian presidential office, incumbent chairman of the republic's Supreme Council Arnold Ruutel to his electors.

Mr Ruutel regards the fact that close to 200,000 people (42.67%) cast their ballots for him during the elections Sunday as a "manifestation of the electors wish for Estonia to consistently go ahead with its program of profound reforms". He thanked his electors for the vote of confidence expressing a hope that the candidates elected by the popular ballot will realize the will of the people who voted for them.

EC Observers Note Progress of Elections

OW2109153892 Moscow BALTFAX in English 1441 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The EC representatives observing the elections of the Estonian president and State Assembly September 20 maintain they did not notice any serious setbacks.

In the words of Friedrich Probst, head of the EC observer group, they noticed only "minor lapses" which could be attributed to the "child's disease of the young democracy". In particular, some of the voters were filling out their ballots outside the polling booth, and some of the ballots were not properly stamped.

No Vote for Ethnic Russians May Cause Problems

LD2109203292 Moscow ITAR-TASS in English 1914 GMT 21 Sep 92

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Moscow September 21 TASS—The presidential and parliamentary elections in Estonia aim to ensure the implementation of the Russian-Estonian agreement on inter-state relations between the two states, Nikolay Medvedev, head of the Russian-Estonian joint commission overseeing the implementation of the agreement, told ITAR-TASS.

"The elections are over but the concern remains about the fact that 42 per cent of people, including several hundred thousand Russians, were barred from them by the Estonian law. It was done by the state which is claiming to be using civilised methods to solve human rights problems," Medvedev said.

"I think that this collision could be of interest to the respective U.N. and CSCE institutions," he added.

Medvedev said that the Russian Parliament is drawing up an appeal to the Estonian Assembly (Parliament) which will urge it to resolve the existing problems. "I hope that the new Estonian authorities will reconsider their position and take a differentiating approach towards the legal basis created by the previous parliament, which will resolve many issues concerning the rights of russians living in Estonia," Medvedev said.

General Staff Chief on Defense Capabilities

LD2209031392 Tallinn Radio Tallinn Network in Estonian 1200 GMT 17 Sep 92

[Text] The Estonian Defense Forces have set up three combat units which are fully capable of controlling the situation inside the country and resisting armed action. So stated Ants Laaneots, chief of the General Staff of the Defense Forces, at a news conference on 17 September. Laaneots rates the 410-person Kuperjanov infantry battalion stationed near Voru as the most efficient in battle, with 350 submachine guns, 16 machine guns, 22 armored transport carriers, 30 vehicles, and some missile-launchers at their disposal. There is also the Kalev battalion, stationed at Kose, and a rescue regiment at Johvi. All units of the Estonian Defense Forces have light weaponry as well as summer and winter field uniforms and officers uniforms, the chief of General Staff stated.

He noted at the same time that the work of the General Staff of the Defense Forces is hampered by insufficient state defense legislation, staffing problems, and the total pacifism which has enveloped the population of Estonia.

The chief of the General Staff hopes the Russian Army will adhere to the schedule for troop withdrawal. According to this schedule, the foreign troops should leave south and central Estonia completely by the end of 1992. The Tartu and Haapsalu military airfields are supposed to be handed over to Estonia this year, and the Tapa airfield at the beginning of next year.

6th Troop Talks Said More Successful Than Before

LD1909041492 Tallinn Radio Tallinn Network in Estonian 1200 GMT 11 Sep 92

[Text] Deputy Defense Minister Toomas Puura, head of the group dealing with military issues within the Estonian delegation, called the sixth round in the talks between Estonian and Russian Government delegations which has just ended, a round searching for compromises. According to the deputy minister, the round was considerably more successful than all previous ones. The sides coordinated a schedule for Russian troop withdrawal for 1993. A final deadline of 1994 for troop withdrawal is being proposed.

An agreement was reached on several issues concerning the movable property of the Russian Army located in

Estonia, and the final texts of agreements on the handover of hydrographic navigation systems to Estonia were agreed upon.

According to Toomas Puura the military groups within the delegations decided to organize a meeting on 29 and 30 September to discuss the issues connected with the Russian Army's immovable property, the use of Estonian airspace, and the division of radio frequencies.

Draft Accord With Russia on Territories Approved

LD1909034192 Moscow Mayak Radio Network in Russian 1300 GMT 15 Sep 92

[Text] The Russian Government has approved a draft agreement with Estonia on vital services for their contiguous territories. It aims to protect the interests of citizens of the two countries living in Russia—in Ivangorod, Kingiseppskiy Rayons in Leningrad Oblast, Pechorskiy and (Slantovskiy) Rayons in Pskov Oblast—and in Estonia— in Narva and Voru, Ida-Virumaa and Polva districts.

A simplified regime for entry and exit to the territories of Russia and Estonia will be established for those living in these regions as well as a favorable customs regime. This agreement is expected to be signed by representatives of the Foreign Affairs Ministries of both countries during the next few months.

Manitski Visits Formerly Closed Naval Base City

OW2009174092 Moscow BALTFAX in English 1522 GMT 20 Sep 92

[Following item transmitted via KYODO]

[Text] On Saturday [19 September] Estonia's foreign minister Jaan Manitski paid a visit to Paldiski, a city that remained closed for many years.

2 months ago J. Manitski's request to visit Paldiski submitted to the Russian foreign ministry was turned down. "This time I did not ask their permission", the foreign minister told journalists. The command of the Russian naval base located in the city put no obstacles, he said. However he was denied access to the building which houses two training nuclear reactors. Estonia believes that these reactors potentially present a serious threat to the region.

According to J. Manitski, the traces of the activity of servicemen who are leaving the city can be spotted everywhere. "The roofs of some houses are dismantled, and cables have been dug out of the ground", he said.

According to unofficial information, there were some 10,000 Soviet servicemen in Paldiski until recently. Most of them have already left Estonia.

Vahi on Plans To Request More World Bank Credit

LD1909205892 Tallinn Radio Tallinn Network in Estonian 1700 GMT 16 Sep 92

[Excerpts] A session of the Estonian Government took place today, too. Ain Saarna will sum up what was discussed.

[Saarna] The news expected—about increasing the minimum wage and the subsistence payments—did not materialize from today's government session. Over to Premier Tiit Vahi. [passage omitted]

[Begin Vahi recording] With respect to fuel oil, large quantities have begun to be dispatched, according to the agreements we reached with Russia. Several tens of thousands of tonnes of additional fuel oil have been received. The issue of finance is the hardest. However, at the moment our finance minister is going to the World Bank for talks—some members of our delegation have already arrived there—to discuss an agreement: we would like $15 million. We have been promised $10 million for the purchase of fuel, and we would like to increase it by $5 million, to $15 million, and, of course, to agree on conditions of how we would be able to use the money for the purchase of fuel oil. [passage omitted] [end recording]

Investment Agreement Initialled With PRC

LD1809224692 Tallinn Radio Tallinn Network in Estonian 0900 GMT 15 Sep 92

[Text] Official representatives of China and Estonia initialled an interstate agreement on protection and encouragement of investments yesterday in Tallinn. According to the Foreign Ministry, (Chang Yuezhiao), a deputy department head of the PRC Foreign Economic Relations and Trade Ministry, and Priit Kolbre, head of the Estonian Foreign Ministry Foreign Economic Policy Department, headed the delegations. The PRC delegation will be leaving Estonia for Lithuania today; thereafter it will head for republics of the former USSR for talks.

Narva Official Says Referendum To Be Held

OW1809212992 Moscow BALTFAX in English 1724 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] Chairman of the Narva City Council Vladimir Chuikin told journalists that a referendum on the status of Narva (a city in the east of Estonia mainly populated by ethnic Russians) will take place in any case. "After we announced about the future referendum the public opinion paid heed to us", he said.

On Thursday [17 September] the Narva City Council decided to set up a working group which would formulate a question of the referendum on the status of the city. It also decided to continue gathering signatures in support of holding the referendum.

The City Council intends to urge the Estonian State Assembly to postpone the introduction of some articles of the law on language in Narva until January 1, 1995.

The Council will also appeal for amending the law on privatization of state and municipal living houses. The Narva Council believes that for the issuing of public capital vouchers not only years of work at Estonian enterprises should be taken into account, but also the general labor record.

Travellers To Uzbekistan Must Obtain Visas

LD1909174792 Tallinn Radio Estonia in English 1520 GMT 15 Sep 92

[Text] According to a note by the Foreign Ministry of the Uzbek republic, citizens of the Republic of Estonia must possess entry visas and take a stamp in the passport for travelling abroad when entering or remaining in Uzbekistan. Visas can also be obtained on the [words indistict] of the internal passport.

In Uzbekistan Estonian citizens must register with the police or [word indistinct] organization. Entry visas are generally issued on the basis of invitation by a legal person or citizen of the Uzbek republic and the visa has to be registered in the Ministry of Internal Affairs.

Single visas issued for three months, multiple visas for six months for employees of joint ventures, diplomats, and their families. (?Such a) visa is valid for 72 hours with the presence of the visa of the (?third) country [as heard].

Uzbek visas are issued by diplomatic and consular legations of Uzbekistan, temporarily also by Russian diplomatic and consular departments. The Russian embassy in Tallinn called the Baltic News Service that the ambassador had not received any corresponding order from Russian Ministry of Foreign Affairs.

Latvia

Gorbunovs Wants Global Evaluation of Situation

LD2209165992 Moscow ITAR-TASS in English 1606 GMT 22 Sep 92

[By ITAR-TASS correspondent Galina Kuchina]

[Text] Riga September 22 TASS—Latvian Parliament Chief Anatolijs Gorbunovs, leaving Riga for New York to attend the U.N. General Assembly session today, said he wants to urge the world public to evaluate honestly the situation in Latvia.

According to Gorbunovs, over 50 countries which did not recognise the incorporation of the Baltic states into the USSR, should now take into account "the consequences of occupation".

Gorbunovs said these consequences are the direst in Latvia. The number of foreign troops is the largest here just as military men who retired. The demographic situation in the republic is the most serious.

Gorbunovs believes the appeal to the world public is needed to make sure that "Russia's unilateral viewpoint reflecting only its interests does not prevail."

Foreign Trade Minister Resigns

OW1909152192 Moscow BALTFAX in English 1458 GMT 19 Sep 92

[Following item transmitted via KYODO]

[Text] Latvia's Minister for Foreign Trade Edgars Zausajevs has resigned, Prime Minister Ivars Godmanis announced during a press conference on Saturday [19 September]. No reasons for Zausajevs's resignation were given.

According to sources in the Latvian Ministry of Foreign Trade, the resignation of Edgar Zausajevs was due to his new appointment.

Parliament Ratifies Treaty With EEC

LD2009134692 Riga Radio Riga Network in Latvian 1730 GMT 16 Sep 92

[Text] Today, the Latvian parliament ratified the treaty signed on 11 May 1992 between the Republic of Latvia and the European Economic Community on trade and commercial and economic cooperation. According to Latvian Deputy Foreign Minister Martins Virsis, this treaty establishes most-favored nation status in mutual trade with the countries of the European Community, because as of now, in accordance with a resolution of 3 February 1992 by the Council of the European Community, import duties will not be levied in the countries of the European Community on goods processed and fabricated in Latvian plants, and the possibility exists of restricting import duties on Latvian agricultural produce as well. The conclusion of this treaty is extremely important to Latvia's progress toward a free market economy and further involvement in the common European processes, but it does not imply an obligation for further integration into the European Community and the introduction of the stipulations of a free market, abolishing customs tariffs and so forth, Martins Virsis believes. Initially, the treaty will be valid for ten years, with automatic annual extensions if neither party objects. Today, the Latvian parliament also ratified the Hague Convention of 1 March 1954 on legal proceedings, and has adopted a resolution to accede to the convention on the forbidding or restriction of conventional weapons that cause especially severe damage.

Official Comments on Joining Council of Europe

LD2009011692 Riga Radio Riga Network in Latvian 0903 GMT 16 Sep 92

[Excerpts] [Unidentified correspondent] A short while ago a press conference ended at the Supreme Council with Adnrejs Pantelejevs, chairman of the Commission for Human Rights and Nationality Questions, who is also one of the three delegates to the Parliamentary Assembly of the Council of Europe. [passage omitted]

[Begin recording] [Pantelejevs] [passage omitted] Specifically for us this means that Estonia and Lithuania, which have elections this autumn, may become full-fledged members of the Council of Europe already at the February session. As for Latvia, should the elections be held in the spring, then they may become a member in the fall. Should elections be held next autumn, then this might not take place until next winter. [passage omitted]

[Correspondent] Are there any obstacles which could delay Latvia's joining the Council of Europe?

[Pantelejevs] Yes. First of all, these elections should be implemented, corresponding more or less to the democratic standards, like those in Estonia. The elections which are being prepared in Estonia are regarded as corresponding to such standards. However, one of a kind of a psychological obstacle which might cause a debate in the Parliamentary Assembly is the question on capital punishment. [passage omitted] [end recording]

Allocated IMF Load 'Will Not To Be Devalued'

OW1909152692 Moscow BALTFAX in English 1501 GMT 19 Sep 92

[Following item transmitted via KYODO]

[Text] The loads allocated to Latvia by the International Monetary Fund will not be devalued even in the event of the continuing financial crisis in the West European countries, said vice president of the Bank of Latvia, Ilmars Rimsevic, in an interview for BALTFAX. He explained that the IMF is providing its credits and loans in special SDR (Special Drawing Rate) units which otherwise is a so-called "currency basket" in which US dollars amount to nearly 40 per cent.

UN Resolution on Yugoslav Region Implemented

LD1809201392 Riga Radio Riga Network in Latvian 1730 GMT 18 Sep 92

[Excerpt] Implementing the UN Security Council's resolution of 30 May, it was decided today at a government meeting to discontinue export and import transactions with the Federal Republic of Yugoslavia, Serbia, and Montenegro. It is prohibited for ships and airplanes to transport any cargo to or from Yugoslavia. It is also instructed to discontinue cooperation with this state in the spheres of sport, science, engineering, and culture. [passage omitted]

Cargo Transit Agreement Signed With Poland

LD1909170192 Riga Radio Riga International in English 2030 GMT 18 Sep 92

[Text] The Latvian Deputy Transport Minister, Aleksandr Konesevics, and his Polish counterpart, Witold Chodakiewicz, today signed a document on international cargo transit between Latvia and Poland, outlining the basic principles for further cooperation in this sphere. Under the agreement Latvia will provide Poland with 500 transit permits for mutual cargo transits by the end of this year. The number of permits to be handed out by Poland is twice as large. In 1993 this type of cooperation will be considerably expanded. The agreement is based on the principle of parity and comes into effect from the moment of signature and envisages the lifting of road taxes for both parties. The Latvia-based international transit association (?Latvijasauto) will be responsible for the issuing of transit permits on Latvian territory.

Supreme Council Adopts Law on Head of State

LD1909040892 Riga Radio Riga Network in Latvian 0900 GMT 15 Sep 92

[Excerpt] This morning the Supreme Council adopted at the morning plenary sitting in the second and final reading, a law on the head of state of the Republic of Latvia. This means that until the assembly of the Seima, the duties of the head of our state will be carried out by the chairman of the Supreme Council, and the powers and obligations of the head of state are laid down by the law on organization of work of the Supreme Council of the Republic of Latvia until the assembly of the Seima, adopted on 25 August this year. [passage omitted]

Draft Bill on Closed Information Approved

OW2009173892 Moscow BALTFAX in English 1522 GMT 20 Sep 92

[Following item transmitted via KYODO]

[Text] On Friday [19 September] Latvia's government approved a draft bill on secret information which will be submitted to the parliament later.

According to the government's press secretary Mintauts Ducmanis, the draft bill concerns not only state secrets, but also closed information of "applied nature" regarding private companies.

In this connection the local public fears that the proposed bill might become applicable to almost any information, such as circulated by the news agencies. Besides, any company might invoke it in order to conceal its financial situation for the purpose of reducing the amount of taxes, observers said.

The draft bill on closed information also provides for making amendments to provisions of the law on the press relating to the permission to publish state secrets, commercial secrets, patented information and pornography.

Parliament Takes 'Uncompromising' Stand on Troops

PM2109104192 Moscow IZVESTIYA in Russian 17 Sep 92 Morning Edition p 1

[Irina Litvinova report from correspondents and news agencies column: "Latvia Hardens Its Position in Talks With Russia"]

[Text] Riga—Only a few more votes would have been needed during voting in the Latvian parliament to give the Russian Army on the republic's territory "occupier" status.

All the remaining points of the resolution "On Interstate Talks With Russia on the Question of Troop Withdrawal" are tough and uncompromising. It determines the main principles that are to be complied with in the talks on withdrawing Russian troops and in subsequent interstate relations. Russian troops must be withdrawn from Latvian territory by the end of 1993, and this question, the resolution says, cannot be linked to any terms dictated to Latvia.

Russian Envoy Talks on Interstate Negotiations

OW2109115792 Moscow BALTFAX in English
1111 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The next round of Russian-Latvian interstate negotiations is to be held on September 22-23 in Riga.

As previously reported by "BF" [BALTFAX], on September 15 the Latvian parliament passed a resolution stating, in particular, that the negotiations with Russia must be conducted given the necessity of an unconditional withdrawal of the Russian forces from the republic in 1994, recognition of mutual borders established by the Russian-Latvian treaty of 1920 (which recognizes the current Pytalov region of Russia as Latvian territory), recognition of inadmissibility of new citizens' naturalization before occupation forces are withdrawn, and recognition of the sole right of the Latvian citizenry to solve issues concerning the republic's citizenship.

In his exclusive interview with "BF" on the eve of the negotiations the head of the Russian state delegation Ambassador Sergey Zotov declared that the Russian side "will not allow to talk by means of ultimatums".

According to Zotov, the authors of the resolution are trying to create a dead end at the next round of negotiations and deliberately dramatize the problem of armed forces at the international level, including the UN, by accusing the Russian delegation of stubbornness.

The diplomat pointed out that the Russian side considered it an "unfriendly gesture," when Latvia attempted, together with Estonia and Lithuania, "to forcibly intrude" into the agenda of the current UN session an issue on forces withdrawal instead of looking for its settlement on a bilateral level.

Zotov believes that the aim of this maneuver is to distract the attention of the international community from "brutal and mass violation of the human rights in Latvia and Estonia which actually must be the subject of concern and discussion in international organizations, the UN among them".

According to the Russian diplomat, a Russian initiative on a radical reduction for terms of forces withdrawal and completion of this process by 1994 on the basis of joint solution of issues presenting interest [as received] which was put forward on August 6 at a meeting of the Russian and Baltic Foreign Ministers presents "a qualitatively new basis" for completion of an agreement on forces withdrawal which is being developed now.

New Round of Talks With Russia Begins

OW2209132092 Moscow INTERFAX in English
1009 GMT 22 Sep 92

[Following item transmitted via KYODO]

[Text] Latvian and Russian Government delegations were to begin a two-day round of negotiations in Jurmala near Riga at noon today. Juris Dobelis, a member of the Latvian delegation and a Supreme Council deputy, told BF [BALTFAX] that the Russian delegation has handed in a document to the Latvians expressing regret over the Latvian Supreme Council's decision of September 15 formulating the basic principles for Latvia's position on the withdrawal of Russian troops at its negotiations with Russia.

The Russians qualify the decision as an ultimatum and warn that they will not yield to Latvia's pressure. The Latvian delegation, for its part, presented the Russians with a schedule according to which the troops should leave Latvia by autumn 1993.

The Latvian delegation's leader, State Minister Janis Dinevics, said at a meeting of the Popular Front parliamentary group that the chances for reaching an agreement with Russia are fairly slim since Latvia cannot make the same kind of concessions to Russia as Lithuania has done. In particular, there will be no "zero option" in granting citizenship (unlike in Lithuania, where everyone resident in that country will be entitled to its citizenship as soon as relevant legislation is passed), nor will Russian servicemen be allowed to privatise their accommodation.

The Secretary of the Interior and Defence Commission at the Latvian Supreme Council, Mikhail Stepichev, told BF that Russia wishes to keep its radar station in Skrunde, its naval port at Liepaja and some installations near Ventspils Port, and would also like to have free access to that port.

According to Stepichev, Latvia will not object to the temporary presence of the radar station in Skrunde.

Russian Embassy Problem Remains Unresolved

OW1909152992 Moscow BALTFAX in English
1500 GMT 19 Sep 92

[Following item transmitted via KYODO]

[Text] The Latvian government should more actively expedite the solution of the issues relating to the allocation of office rooms to the Russian Embassy in Riga, said one of the Latvian MFA [Ministry of Foreign Affairs] officials in an interview for BALTFAX wishing not to reveal his identity.

In the words of the Latvian diplomat, "the Latvian government should become reconciled with the idea that the building of the USSR Embassy in Riga, presently occupied by the Latvian Ministry of Culture, would have to be returned to its owner".

On Sept. 17, the Russian MFA issued a note to the Latvian Embassy in Moscow with the expression of concern over Latvia's procrastination in resolving this issue.

Customs Officials Detain Former KGB Weapons

OW1809212392 Moscow BALTFAX in English 1725 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] Earlier this week customs officials of the Latvian city of Liepae detained the vessel "Janis Berzins" carrying a big lot of weapons which used to belong to the former Latvian KGB, Director of the regional customs Vladimirs Stumburs told BF [BALTFAX]. Russian sea border guards tried to smuggle the weapons from Ventspils to Russia. Since the transportation of this cargo was carried out without coordination with the Latvian authorities, the vessel is currently at the Liepae port. An investigation has been launched.

Commander of the Latvian Navy Gaidis Zeibots noted that the weapons should remain under the control of the Latvian Defense Ministry, because all property of the former Latvian KGB belongs to Latvia.

Latvian Union of Communists Created

PM2209104592 Moscow PRAVDA in Russian 17 Sep 92 p 1

[Oleg Meshkov report under the "Short and To the Point" rubric: "Conference of Communists"]

[Text] The constituent conference of the Union of Communists of Latvia has taken place in Riga. Its participants decided to rule void the mandate given to A. Rubiks, former first secretary of the Communist Party of Latvia Central Committee and now in prison. Of the 50 delegates, 70 percent are employees, 22 percent workers, and 8 percent pensioners. It was decided to adopt a policy of resistance to the new authorities using all legal means. The Union of Communists' aim is to create in the republic a government trusted by the people and to form a new economic federation with the former USSR republics.

OMON Case Witnesses May Have Been Pressured

OW1809211592 Moscow BALTFAX in English 1723 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] The Latvian procurator, Aleksis Lepse, participating in the process considering the case of the former deputy commander of the Riga OMON [Special Purpose Militia Detachment], Sergey Parfenov, said in an interview for the Latvian daily paper "Diena" that he did not exclude a possibility that some of the witnesses in the process summoned to the court could be intimidated.

According to the procurator, the affidavits submitted to the court Thursday [17 September] by the victims differed considerably from their testimonies obtained during the preliminary investigation.

Mr Lepse maintains that the witnesses could be subjected to pressure at the stage when the preliminary investigation was conducted by the then Procurator's Office of the Latvian SSR [Soviet Socialist Republic]. Such pressure, in his opinion, could originate from the defense or former OMON activists who are currently employed by the Latvian police.

Mr Parfenov's attorney, Anatoliy Zuyev, said in his interview for "Diena" that he too noticed controversy in the victims' testimonies, while he denies a possibility of any intimidation on them.

Lithuania

Landsbergis Opens Embassy in Brussels

LD2209172692 Moscow ITAR-TASS in English 1640 GMT 22 Sep 92

[By ITAR-TASS correspondent Valeriy Shashkov]

[Text] Brussels September 22 TASS—The Lithuanian Embassy was opened here today, as Lithuanian Supreme Soviet Chairman Vytautas Landsbergis, currently in Belgium on an official visit, raised a flag over the four-storey embassy building.

The embassy opening ceremony was attended by representatives of the Belgian Government and Diplomatic Corps members.

The Brussels Embassy is the eighth Lithuanian representation in European states, alongside those in Bonn, Paris, London, Warsaw, Moscow, Stockholm and Copenhagen.

Issue of Russian Oil Supplies Still Unresolved

LD2209044592 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 17 Sep 92

[Text] The negotiations between Lithuanian and Russian representatives on resuming the supply of oil and natural gas to Lithuania ended without results. As reported on 16 September, Deputy Economy Minister Vytas Navickas and Robertas Tamosiunas, deputy minister of power engineering, went to Moscow to discuss these issues. They met Vladimir Mashits, chairman of the Russian Federation State Committee for Cooperation with CIS Countries, and Yevgeniy Morozov, deputy minister of fuel and power engineering.

Vytas Navickas told a BALTIC NEWS SERVICE correspondent that the Russian officials agreed that the demand to pay a higher price for natural gas than had been foreseen in the interstate agreement was illegal. Mr. Mashits promised to sign an order to supply the gas if Lithuania, after addition negotiations on the price of the gas, would come to an agreement with the Russian Ministries of Fuel, Power Engineering, and Resources.

Lithuania agreed to negotiate around 4,000 to 6,000 rubles per 1000 cubic meters of gas, but the St. Petersburg gas concern is demanding 15-16,000 rubles. Vytas Navickas hopes the necessary signatures can be obtained by the beginning of next week.

It looks like the oil issue will not be resolved until Aleksandras Abisala meets with Yegor Gaydar. The Russian Ministry of Fuel and Power Engineering alone is unable to compel the people controlling the oil pipeline to let the oil through to Lithuania. The direct agreement with oil producers on the supply of oil has been concluded. One gets the impression that people who are especially unfavorable toward Lithuania or people looking for personal profit are in charge there. Nevertheless, I think a positive decision will be achieved, Vytas Navickas said.

Economic Agreements To Be Signed With Russia

OW2109154192 Moscow BALTFAX in English
1440 GMT 21 Sep 92

[Following item transmitted via KYODO]

[Text] The Russian side has accepted Lithuania's proposal to sign the Russian-Lithuanian trade and finance agreement in Vilnius. The Lithuanian MFA [Ministry of Foreign Affairs] press bureau informs that a telegram to this effect on behalf of the Russian Government signed by Vladimir Mashits, chairman of the RF [Russian Federation] state committee for economic cooperation, was received Monday [21 September] by the minister without portfolio, Gediminas Serksnis.

According to the earlier arrangements, the sides were expected to sign the Russian-Lithuanian agreement on October 18 in Moscow. However, at the beginning of the previous week, the Lithuanian premier, Aleksandras Abisala, proposed that the signing of these documents be held in Vilnius on September 22.

The Lithuanian press bureau reports, the date of the meeting of the Russian and Lithuanian heads of state will be finalized later.

Minister: Russian Troop Withdrawal Progressing

OW1809212592 Moscow BALTFAX in English
1725 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] Lithuanian Home Defense Minister Audrius Butkevicius believes that the withdrawal of Russian troops "has started, is going on sucessfully and being controlled, but much is left to be done".

At a press conference Friday [18 September] he said that during ten days after signing the agreements in Moscow the Russian Federation "had made first steps to fulfil the agreements on the withdrawal of certain military units in 1992". Among these units are a regiment stationed in Marijampole, an artillery regiment of the 3rd coast guard division stationed in Telsiai and the 107th division in Vilnius, the territory and facilities of which are to be transferred to Lithuania by the end of November.

Minister Butkevicius also said that on September 27-28 he will pay an official visit to Poland where he will meet Polish Defense Minister Janusz Onyszkiewicz. The main subject of the talks will be an agreement on opening a border post at Kalvarija.

Government Discusses Border Issues With Belarus

OW2009172492 Moscow BALTFAX in English
1521 GMT 20 Sep 92

[Following item transmitted via KYODO]

[Text] Working groups from Lithuania and Belarus had a meeting in Vilnius on September 18 exchanging information on the restoration of the border between the two states, frontier zone regulations, and the construction of customs posts.

The leader of the Belarusian group, Stanislav Ogurtsov, told Lithuanian TV that, "although the meeting was held in a businesslike and friendly atmosphere, there were disagreements on some points." "The Lithuanian-Belarusian border was established neither by Lithuania nor by Belarus but by a third party," he said, "so there were territories which belonged to Lithuania but were used by Belarus, and the other way round."

"We should establish a border that would suit both states," Ogurtsov said.

The Lithuanian group handed in a note to the Belarusian one with a request not to do any construction on disputed territory.

According to Lithuanian Deputy Premier Valdemaras Katkus, the parliament will not begin considering the border problem before the government has analyzed all possible solutions to it, taking account both of historical factors and of the existing trade and economic relations with Belarus.

Katkus expressed the hope that the work will be finished by autumn 1993.

Government, PRC Sign Investment Protection Pact

WS1809130592 Vilnius ELTA NEWS BULLETIN
in English 1506 GMT 17 Sep 92

[From ELTA "NEWS BULLETIN" No. 81]

[Text] 17 September 1992—An agreement on stimulation and protection of investments between the Republic of Lithuania and the People's Republic of China has been initialed at the Lithuanian Ministry of International Economic Relations.

China was the first Asian country to open its embassy in Vilnius and is the only country of this region with which Lithuania has made an agreement on economic cooperation.

World Lithuanian Community Headquarters Opens

OW1609113992 Moscow BALTFAX in English 1039 GMT 16 Sep 92

[Following item transmitted via KYODO]

[Text] The headquarters of the World Lithuanian Community were ceremonially opened in Vilnius yesterday. The principal aim of the new institution, founded and headed by Dr. Petras Lukosevicius, is to carry out various programs providing for effective mutual assistance between Lithuania and the Lithuanian diaspora.

National Currency May Be Introduced 1 Oct

OW1809125492 Moscow BALTFAX in English 0952 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] The left-wing Lithuanian newspaper Tiesa believes that Lithuania's national currency, the lit, may be introduced on October 1. The newspaper was guided by Director of the IMF Michel Camdessus's statement made to Financial Times to the effect that the IMF is ready to help Lithuania introduce its national currency in October.

The Tiesa writes in this connection that in pre-war Lithuania the lit was put into circulation on October 1, 1922, and that the current leaders are very fond of "historical parallels and jubilees".

Landsbergis Promises New Currency Soon

OW1809231792 Moscow BALTFAX in English 1725 GMT 18 Sep 92

[Following item transmitted via KYODO]

[Text] Chairman of the Lithuanian parliament, Vytautas Landsbergis, in his Thursday [17 September] address over the national radio said that the time when litas will be introduced in the republic as national currency "is not far away". He also expressed hope that Lithuania will enjoy full support of the International Monetary Fund when it initiates the introduction of its own currency. Lithuanian finance minister and heads of banks have just left to attend the annual IMF conference.

BALTFAX learned from the sources close to the republic's banks that Lithuania is likely to introduce litas into circulation in early October.

Mr Landsbergis also revealed that during his coming trip to Belgium, he will appeal to the EEC chairman, Jacques Delors, with a request for liquid gas supplies to Lithuania.

Sajudis, Democratic Parties Consider Alliance

LD2109182492 Vilnius Radio Vilnius in English 2300 GMT 19 Sep 92

[Text] With a view of uniting Lithuania's political forces, consolidating independence and democracy and making justice a norm of life, the Lithuanian Sajudis movement and nine other Lithuanian democratic parties and movements declared today about forming an alliance of concord for a democratic Lithuania. At the electoral conference held in Vilnius the alliance signed a declaration which says that during the election campaign to the Seimas these parties and movements commit themselves to unite their forces to avoid mutual rivalry and, after the election, to form a united bloc of the fatherland in the Seimas.

Speaking at the conference, chairman of parliament, Vytautas Landsbergis, said the revival awakening in the hearts of people wanted to see Lithuania a free state again. He defined labor, family and the fatherland as the foundation of a meaningful life. That ought to be the motto of the concord for a democratic Lithuania, he said. The Lithuanian Sajudis became the driving force of the revival, a source of support for the political parties and movements emerging at it. But the revival work is not yet completed, Mr. Vytautas Landsbergis observed, because there are still political forces in Lithuania trying to hamper the progress of the economic and political reform.

[Begin Landsbergis recording in Lithuanian fading into English translation] One of the old Soviet era political forces cannot be our partner. It is called the Lithuanian Democratic Labor Party, which has placed itself on the extreme Left. It proclaims that it wants power again. It wants a political revanche and at least a partial restoration of the former economic system. The party again suggests political orientation towards the east and towards dependence. [end recording]

In his words, Eastern or Western orientation was not only the economy, trade or resources of raw materials; it also meant a way of life. Lithuania has already made the choice, he said, and only the Democratic Labor Party still keeps clamoring that not all has been lost yet. Mr. Landsbergis stressed he did not want to accuse anyone, rather, he wanted to warn people of possible dangers. We must seek a speedy withdrawal of foreign troops and the replacement of the old guard in their posts, he said. The concord for a democratic Lithuania must remain a party of justice.

[Begin Landsbergis recording in Lithuanian fading into English translation] It must also be a party of concord, firmly standing against the splitting up of society and against dragging the country backwards. Some want to press on us reciprocal fury and hatred, but we knew how to avoid it. Let us not attack those who think otherwise but want an honest Lithuania. They can be with us and will be with us, but we must speak out against the onrush of liars to power. [end recording]

Ex-Prime Minister Gediminas Vagnorius outlined the current economic situation, noting that many of the hardships were not caused by the reforms themselves but by the spreading (?willfulness) and disorder. He expressed his conviction that the democratic forces would win in the election and bring the economic reform to a victorious end. Mr. Gediminas Vagnorius criticized the intended wage freeze, saying that rises in wages must not lag behind inflation rates. Speaking about agriculture, he said the agrarian reform had got stuck, but must be completed by next spring. In his opinion, often land was not returned to its lawful owner, not because of bad laws but because the officials in charge of it were not interested in doing their work. He defined such behavior as economic crimes.

A similar opinion was expressed by chairman of the farmers' movement, (?Vaclovas Larbehr) [as heard]. He said farmers were already losing patience, but the old bureaucrats of the Soviet regime, still in many key posts in agriculture, were deliberately hindering the land reform. Mr. (?Vaclovas Larbehr) criticized the present parliament for failing to create a truly law governed state.

The conference of the concord for a democratic Lithuania held in Vilnius today announced the list of its nominees to the Seimas and the candidates gave a solemn oath to the nation, their parties and movements and to the voters. They pledged to serve Lithuania, to observe the program of their party or movement, to respect the will of the voters and, if elected to the Seimas, never to abuse their authority for gaining personal profit.

Sajudis Proposes Program on State Construction

WS2109130392 Vilnius ELTA NEWS BULLETIN in English 1310 GMT 18 Sep 92

[From ELTA "NEWS BULLETIN" No. 82]

[Text] 18 September 1992—The Sajudis coalition "For Democracy in Lithuania" will announce its electoral programme at the beginning of next week. It will be finalised at the second meeting of the coalition's electoral conference this Saturday [19 September]. The first meeting of the conference took place last weekend. This was announced at the September 17 briefing by Chairman of the Sajudis Council Juozas Tumelis who participated in the briefing together with the Supreme Council deputies Egidijus Jarasinas and Gediminas Vagnorius as well as Chairman of the Lithuanian Political Prisoners' Union Antanas Stasiskis. The Sajudis coalition also involves the Lithuanian Citizens' Charter,the Lithuanian Farmers' Sajudis and the Lithuanian Green Party.

According to Egidijus Jarasinas' the Sajudis coalition is the only big bloc and on winning the election it could immediately proceed to tackling problems of the State power. There is no other political force, he said, whose list of candidates would include so many people who have already been engaged in the professional politicians' work in the Supreme Council: there are 30 present deputies in the electoral list of the Sajudis coalition.

Speaking on the economic and social aspects of the coalition's programme, Ex-Premier Gediminas Vagnorius pointed out they would not differ much from those which have been carried out throughout the recent period. In his opinion, it is necessary to adopt amendments of the current laws which would enable the formation of a government working effectively at all levels. The Ex-Prime Minister believes that the former wage and price policy will be carried on. Before we introduce our own currency litas, he noted, wages should increase at the same rate as the inflation. He spoke up against the freezing of the wages before the introduction of the national currency. The Ex- Premier agrees with the opinion of the International Monetary Fund experts that the transition to the world prices of energy resources should be gradual. In his view, this transition could be accomplished by the middle of next year meanwhile granting subsidies to a part of servicies, for example to the heating.

The Sajudis coalition "For Democracy in Lithuania" will nominate its candidates in all one-mandate electoral districts.